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30 December 2024

Vedanta Resources Limited

Interim results for the six months ended 30 September 2024

Financial highlights

- Revenue before special items at US\$ 8,668 million in 1H FY2025, in line with revenue in 1H FY2024 (US\$ 8,722 million) on account of one time Cairn arbitration gain in previous period partly offset by higher realization prices at Zinc & Aluminium business.
- EBITDA before special items increased by 6% to US\$ 2,600 million in 1H FY2025 (1H FY2024: US\$ 2,460 million). This was mainly driven by Increased commodity prices & higher volumes at Zinc India & Aluminium partly offset by Cairn arbitration gain of \$583 million in 1H FY24.
- Operating Profit before special items at US\$ 1,932 million, up 9% YoY (1H FY2024: US\$ 1,780 million) primarily on account of higher volumes, increased output commodity prices & structural cost savings at key businesses.
- Adjusted EBITDA margin¹ of 36% (1H FY2024: 33%).
- ROCE at 23% in 1H FY2025 (1H FY2024: 22%).
- Profit after tax from continuing operation before special items at US\$ 690 million (1H FY2024: US\$ 530 million) increased due to higher operating profit.
- The free cash flow (FCF) post-capex for the period was US\$ 632 million (1H FY2024: US \$ 269 million).
- In 1H FY2025, gross debt slightly increased to US\$ 14.9 billion (FY2024 US\$ 14.3 billion), driven by additional borrowing at Zinc international & Zinc India partially offset by deleveraging at Vedanta Resources limited standalone and aluminium business.
- In 1H FY2025, net debt at US\$ 11.4 billion (FY2024: US\$ 12.3 billion).
- Liquidity position with cash and liquid investments of US\$ 3.6 billion (FY2024: US\$ 1.9 billion).
- Contribution to the exchequer of c. \$ 3.8 Bn in 1H FY2025.
- Net Debt/ EBITDA ratio improved at 2.3x against 2.6x in FY2024.
- S&P Global upgrades Vedanta Resources Credit rating to B with stable outlook. This marks third-positive action in last 12 months, resulting in cumulative upgrade of five notches from a year ago.

¹ Excluding customs smelter at copper business

Business highlights

Aluminium

- Highest ever half yearly aluminium production at 1,205 kt, increased 3% YoY.
- Half yearly alumina production at 1,039 kt, lower by 21% YoY.
- Aluminium cost of production at US\$ 1,725 per tonne, lower by 8% YoY.
- Alumina cost of production at US\$ 338 per tonne, lower by 2% YoY.
- Highest ever Half-Yearly Domestic Sales at 545 kt up 18% YoY.

Zinc India

- Best-ever mined metal production in first half year at 519 kt, up 2% YoY with higher ore treatment & overall improved mined metal grades.
- Refined zinc production was at 409 kt, up 4% YoY & refined lead production at 115 kt, up 7% YoY.
- Saleable silver production at 11.3 million ounces, down 3% YoY on account of lower silver input from SK Mine.

Zinc International

- Overall production at 81 kt, decreased 40% YoY due to mining challenges leading to lower throughput, ore grades and zinc recoveries partially offset by higher lead recoveries.
- ZI cost of production was at \$1,388/t, slightly higher by 1% YoY.

Oil & Gas

- Average gross operated production of 109 kboepd, down 19% YoY, owing to natural field decline in MBA fields. The decline has been partially offset by new infill wells brought online across fields in Rajasthan supported by ramp up of volumes from Jaya field in Cambay – OALP region.
- Cairn Becomes India's first Oil & Gas Company to Join UNEP's OGMP 2.0; Strengthening its commitment to Net Zero by 2030.
- Key growth projects update:
 - Infill drilling carried out in Rajasthan block across Mangala and Tight Gas (RDG) to sustain volumes. 9 wells drilled and 15 wells hooked up during 1H FY2025 across all assets.
 - Alkaline Surfactant Polymer (ASP) injection commenced in Mangala field.
 - Three exploration wells drilled across regions in North-East region during first half of fiscal year 2025.
 - Offshore drilling campaign on West Coast to commence in third quarter of fiscal year 2025.

Power

- Overall power sales at 7,622 million units up by 8% YoY.
- The 600 MW Jharsuguda IPP operated at plant load factor (PLF) of 63% in 1H FY2025.
- TSPL Plant availability factor (PAF) in 1H FY2025 improved to 88% vs 87% last year.

Iron Ore

- Half yearly production of saleable ore in India at 2.6 Mn tonnes, higher by 6 % YoY
- Half yearly production of Pig Iron 395 kt, lower by 8% YoY
- Initiated transportation for the first time in monsoon from Bicholim Mines – IOG.

Steel

- Highest ever Half yearly and quarterly hot metal production from BF-3 at 239 kt and 127 kt.
- Highest ever 1st half DI Pipe production at 101 kt.

FACOR

- Half yearly ore production at 118 kt, up 26% YoY mainly on account of mine shutdown in 2QFY24.
- Best-ever Ferrochrome production in first half year at 53 kt, up 70% YoY, driven the commissioning of a new furnace. Also, there was plant shutdown in 1QFY24.

ESG highlights

- Secured RE Power Delivery agreements (PDAs) of 1906 MW. Initiated utilization of renewable energy in line with RE PDAs at Zinc India and Aluminium Business.
- The third edition of the Vedanta Delhi Half Marathon saw a record-breaking participation of over 36,000 runners and raising an astounding 10 million meals for children through our run for zero hunger movement.
- Achieved 34% gender diversity in enabling functions. Gender diversity for full-time employees stands at 22% (FY24: 20%) which implies our workplace gender diversity target of 20%(for FY30) for full-time employees is achieved 7 years in advance.
- Secured top five ranking in the S&P Global CSA assessment in 2024, for second consecutive year.
- Spent \$18.4 million in 1HFY25 on CSR initiatives for communities, positively touching over 3.5 million lives.
- Aided 2+ million families in becoming skilled and positively touched the lives of 39+ million women & children.
- 6,363 Nand Ghars created for women and child welfare.
- Hindustan Zinc units have begun using renewable energy from RE-PDA (via Serentica), consuming 153.610 MU of RE power as of September 2024.
- Achieved water positivity ratio of 0.71 with a water recycling rate of 29%.
- Utilized 81% of High-Volume Low Toxicity (HVLT) waste.

Consolidated Group results

(US\$ million, unless stated)

	Six months to 30 September 2024	Six months to 30 September 2023	% Change	Year ended 31 March 2024
Revenue ²	8,668	8,722	(1)%	17,128
EBITDA ²	2,600	2,460	6%	4,718
EBITDA margin	30%	28%	-	28%
Adjusted EBITDA margin ¹	36%	33%	-	32%
Operating profit ²	1,932	1,780	9%	3,347
Profit/(loss) attributable to equity holders of the parent	995	(280)	-	(400)
Underlying attributable profit/(loss)	16	161	(90)%	45
ROCE %	23%	22%	-	25%

1. Excludes custom smelting at Copper Business.

2. Before special items

STRATEGIC OVERVIEW

We continually strive to improve our existing operations and proactively adopt more efficient processes for new operations, to achieve benchmark performance, optimise costs and improve realisations.

Throughout the year, our sustainability-focused and integrated business model propelled value-creation, delighting our stakeholders. Vedanta contributed ~US\$ 3.8 billion to the exchequer in 1H FY2025. We made significant advancements on crucial Environmental, Social and Governance (ESG) commitments besides expanding capacities and our portfolio of value-added products in line with global trends and India's journey of self-reliance. We have partnered with Serentica Renewables to secure 1826 MW of Renewable Energy Power Delivery Agreements (PDA). In the first half of FY25, Zinc India expanded its renewable energy commitment by an additional 80 MW, bringing our total group commitment to 1900 MW. Both Zinc India and our Aluminium business have now begun utilizing renewable energy from these PDAs. We're determined to extend this initiative to all our businesses in the coming quarters, steadily moving towards our goal of net-zero carbon emission.

In 1H FY2025, we progress well across all our businesses with increased volumes in Aluminium, Zinc India and FACOR. As part of Alumina refinery expansion project, we have commissioned Unit 1 of 1.5 MTPA at Lanjigarh, taking its capacity to 3.5 MTPA. The Aggressive cost reduction measures have supported us in maintaining strong margins across key businesses. Our commitment to growth had led to capex spent of ~\$0.7 bn by the operating entity.

Vedanta has also initiated production from Konkola Copper Mines ("KCM"). KCM's world class assets have reserves and resources of 16 million tonnes of contained copper. It has a copper grade of 2.3% which compares very favorably with the global average of 0.4%. KCM will form the backbone of Vedanta's strategy to vertically integrate in copper which is critical to the energy transition needs of a decarbonizing world.

Vedanta's Aluminium business achieved the highest-ever half yearly aluminium production in 1H FY2025. During the year, we continued to pursue structural initiatives like optimizing the coal and bauxite mix, improving capacity utilization and implementing growth and vertical integration projects. These measures have resulted into lowering our half yearly cost of production by 8% YoY. The second half of this year is going to be crucial for us as we are gearing up for the commissioning of Train - 2 of 1.5 mtpa at Lanjigarh refinery. This is a significant lever in the journey to structurally place aluminum in the first decile of cost curve from the current first quartile.

Zinc India registered its best-ever first half mined metal production in 1H FY2025. Despite rising costs pressures, it improved its half yearly cost of production by 7% and continued to be in the first decile of the global cost curve.

Our Gamsberg Asset in South Africa now operating at about 200 KTPA run rate. We are now focusing on Gamsberg phase 2 expansion. With this expansion, it will be among the largest operations globally at 450 KTPA plus size of operations.

At Iron Ore Business, we have commissioned the Bicholim mine with 3MTPA capacity, further strengthening our mining portfolio. At FACOR, we have received EC for underground mine expansion and 300 MTPA ferrochrome plant. With this, we are on track to become the India's Largest Ferrochrome producer

ESL steel continues to operate at an enhanced capacity of 1.7 MTPA post debottlenecking carried out in FY23 and progressing steadily on the 3.5 MTPA expansion project.

Vedanta's strategic focus is on good governance, and social licence to operate, while it continues its journey towards zero harm, zero waste and zero discharge. The success of our existing operations and future projects are in part dependent on broad support and a healthy relationship with our respective local communities. Our BU teams proactively engage with communities and stakeholders through a proper and structured engagement plan, with the objective of working with them as partners

Summary of strategic priorities:

Operational excellence and cost leadership:

We strive for all-round operational excellence to achieve benchmark performance across our business, by debottlenecking our assets to enhance production, supported by improved digital and technology solutions. Our efforts are focused on enhancing profitability by optimising our cost and improving realisations through prudent marketing strategies.

Continued Focus on World Class ESG Performance:

We operate as a responsible business with a focus on Zero harm, Zero Discharge and Zero Waste. Our revised vision is “Transforming for Good” around three focus areas transforming communities, transforming the planet, and transforming the workplace. Through these focus areas, we work towards generating positive values for our important stakeholders and minimizing the impacts on the environment. We also promote social inclusion across our operations to promote inclusive growth.

Optimise capital allocation and maintain a strong balance sheet:

Our focus is on generating strong business cashflows and maintaining stringent capital discipline in investing in profitable high IRR projects. Our aim is to maintain a strong balance sheet through proactive liability management. We also review all investments (organic and acquisitions) based on our stringent capital allocation framework to maximise shareholder returns.

Deliver on growth opportunities:

We are focused on growing our operations organically by developing brownfield opportunities in our existing portfolio. Our large, well-diversified, low-cost and long-life asset portfolio offers us attractive expansion opportunities, which are evaluated based on our return criteria for long-term value creation for all stakeholders.

Augment our reserves & resources (R&R) base:

We look at ways to expand our R&R base through targeted and disciplined exploration programmes. Our exploration teams aim to discover mineral and oil deposits in a safe and responsible manner and replenish the resources that support our future growth ambitions.

FINANCE REVIEW

Executive summary

We delivered strong performance in 1H FY2025 through operational efficiency further supported by increased Volumes & output commodity prices across businesses. The 1H FY2025 performance was also result of several measures taken across businesses for optimizing cost of production, marketing and working capital initiatives.

The EBITDA for 1H FY2025 at US\$ 2.6 billion was almost in line with 1H FY2024, with an adjusted EBITDA margin of 36% (1H FY2024: US\$ 2.5 billion, adjusted EBITDA margin: 33%).

As demonstrated in the consolidated operating profit variance analysis, higher output commodity prices & reduced input costs positively increased EBITDA. This was partially offset by Cairn arbitration gain included in 1H FY2024.

The adjusted EBITDA margin for 1H FY2025 was higher at 36% in line with increased EBITDA.

Gross debt increased by \$0.6 Bn to US\$ 14.9 billion as on 30 September 2024 (FY2024: US\$ 14.3 billion), Net Debt stood at US\$ 11.4 billion as on 30 September 2024 (FY2024: US\$ 12.3 billion) and liquidity position with cash and liquid investments stood at US\$ 3.6 billion as on 30 September 2024 (FY2024: US\$ 2 billion).

The balance sheet of Vedanta Resources Limited continues to remain strong with cash and liquid investments of c.US\$ 3.6 billion and net debt to EBITDA ratio at 2.3x (FY2024: 2.6x).

Consolidated operating profit before special items

Operating profit before special items stood at US\$ 1.9 billion in 1H FY2025, increased 9% YoY. This was primarily driven by higher output commodity prices across businesses partially offset by cairn arbitration gain included in past period figures.

Consolidated operating profit summary before special items

<i>(US\$ million, unless stated)</i>				
Consolidated operating profit before special items	1H FY2025	1H FY2024	% change	FY2024
Zinc	807	628	29 %	1,268
-India	764	587	30 %	1,239
-International	43	40	7 %	29
Oil & Gas	93	627	(85)%	768
Aluminium	866	320	-	876
Power	21	32	(35)%	52
Iron Ore	15	41	(63)%	161
Steel	3	(6)	-	(22)
Copper Business	(67)	(25)	-	(35)
Facor	2	-	-	4
Others	192	164	18 %	274
Total Group operating profit before special items	1,932	1,780	9 %	3,347

Consolidated operating profit bridge before special items

<i>(US\$ million)</i>	
Operating profit before special items for 1H FY2024	1,780
Market and regulatory: US\$ 611 million	
a) Prices, premium/ discount	482
b) Direct raw material inflation	89
c) Foreign exchange movement	40

Operational: US\$ 14 million

d) Volume	(73)
e) Cost & Marketing	87
Others	(434)
Depreciation and amortization	(39)
Operating profit before special items for 1H FY2025	1,932

a) Prices

Commodity price fluctuations have a significant impact on the Group's business. Comparing 1H FY2025 vs 1H FY2024, we saw a positive impact of price on Operating Profit of ~ \$ 482 million.

Zinc: Average aluminium LME prices increased to US\$2,805 per tonne in 1H FY2025, up 13%, improving Operating Profit by ~ \$217 as compared to 1H FY'24.

Aluminium: Average aluminium LME prices increased to US\$2,449 per tonne in 1H FY2025, up 11%, positively impacting Operating Profit by ~\$314 million.

Oil & Gas: Oil Realisations for 1H FY2025 was US\$ 82.6 per barrel in line with 1H FY2024 (US\$82.5) having no major impact on operating profit.

Iron & steel: Lower realizations negatively impacted operating profit by \$37 million.

b) Direct raw material inflation

Prices of key raw materials such as coal and carbon decreased in 1H FY2025 which is partly offset by increased alumina cost, having net positive impact on Operating Profit of ~ \$89 million.

c) Foreign exchange fluctuation

Indian Rupee depreciated against the US dollar by ~1% during 1H FY2025. Dollar appreciation is favourable to the Group, given the US dollar-linked pricing. This resulted in a positive impact on Operating Profit by ~\$40 million.

Key exchange rates against the US dollar:

	Avg. half year ended 30 September 2024	Avg. half year ended 30 September 2023	% change	As at 30 September 2024	As at 30 September 2023	As at 30 September 2022
Indian Rupee	83.59	82.42	1%	83.78	83.18	81.5
South African Rand	18.26	18.66	(2)%	17.18	18.92	18.01

d) Volumes

Lower volumes decreased the Operating Profit by \$73 million, mainly because of these key Group businesses:

Oil & Gas: Lower crude sales (~18%) negatively impacting Operating Profit by ~\$66 million.

ZI: Lower sale volume (~39%) has negatively impacted the Operating Profit by ~\$27 million.

e) Cost & Marketing

Cost savings in 1H FY2025 increased the Operating Profit by ~\$82 million, mainly due to cost saving at aluminium and cain. Marketing also shown slight savings & increased the Operating Profit by ~\$5 million.

Depreciation and amortisation

Depreciation and amortisation increased by US\$39 million against the previous period mainly due to capitalization of new capacity at alumina refinery & KCM consolidation.

Income statement

	(US\$ million, unless stated)			
	1H FY2025	1H FY2024 ¹	% change	FY2024 ¹
Revenue	8,668	8,722	(1) %	17,128
EBITDA	2,600	2,460	6 %	4,718
EBITDA margin (%)	30%	28%		28%
Adjusted EBITDA margin (%)	36%	33%		32%
Special items (Impairment reversal/charge – Net)	252	151	67 %	124
Depreciation and Amortisation	(653)	(614)	6 %	(89)
Other expenses*	(15)	(66)	(77)%	(1,282)
Operating profit	2,184	1,931	13 %	3,471
Operating profit without special items	1,932	1,780	8 %	3,347
Net interest expense	(932)	(778)	20 %	(1,680)
Interest income-related special items	-	-		-
-Other gains / (losses)	5	(31)	-	(37)
Profit before taxation	2,147	1,122	91 %	1,754
Profit before taxation without special items	1,005	971	3 %	1,630
Income tax (expense)/ credit	(315)	(441)	(29)%	(837)
Income tax (expense)/ credit (special items)	(97)	(824)	(88)%	(818)
Profit for the period / year	1,735	(143)	-	99
Profit for the period / year without special items	690	530	30 %	793
Non-controlling interest	740	137	-	499
Non-controlling interest without special items	672	381	76 %	762
Attributable profit/(loss)	995	(280)	-	(400)
Attributable profit/loss without special items	18	149	(88)%	31
Underlying attributable profit/(loss)	16	161	(90)%	45

* Cost of Exploration wells written off

Consolidated revenue

Revenue before special items was US\$ 8,668 million for the period which was slightly lower as compared to 1H FY2024 (US\$ 8,722 million). This was mainly due to Cairn Arbitration gain recorded in previous period partly offset by increased LME prices.

	(US\$ million, unless stated)			
	1H FY2025	1H FY2024	Net revenue % change	FY 2024
Zinc	2,101	1,917	10%	3,803
- India	1,890	1,652	14%	3,373
- International	211	265	(20)%	430
Oil & Gas	688	1,345	(49)%	2,155
Aluminium	3,260	2,895	13%	5,843
Power	418	389	8%	743
Iron Ore	322	500	(36)%	1095
Steel	467	496	(6)%	1003
Copper Business	1,331	1,133	17%	2,383

FACOR	70	37	91%	98
Others	11	10	6%	5
Revenue	8,668	8,722	(1)%	17,128

1. Includes FACOR, port business and eliminations of inter-segment sales.

Consolidated EBITDA

The consolidated EBITDA before special items by segment is set out below:

(US\$ million, unless stated)							
Consolidated EBITDA	1H FY2025	1H FY2024	% Change	FY 2024	Key Drivers	1H FY25 EBITDA Margin	1H FY24 EBITDA Margin
Zinc	1,027	844	22%	1,722		49%	44%
-India	960	775	24%	1,638	Higher Zinc LME & volumes	51%	47%
-International	67	69	(3)%	84	Lower volumes	32%	26%
Oil & Gas	270	851	(68)%	1,184	Lower volumes & one time arbitration gain in 1H FY24	39%	63%
Aluminium	1,028	459	-	1,167	Higher LME & cost savings	32%	16%
Power	54	65	(17)%	117		13%	17%
Iron Ore	39	58	(33)%	200	Lower prices partly offset by cost savings	12%	12%
Steel	27	16	66%	27	Lower Input commodity prices	6%	3%
Copper	(39)	(13)	-	(9)		(3)%	(1)%
-							
India/Australia	(9)	-13	(31)%	(9)		(1)%	(1)%
-Zambia	(30)	-	0%				
Facor	5	4	32%	14	Cost Savings & higher volumes	8%	11%
Others ¹	188	179	5%	296			
Total	2,600	2,460	6%	4,718		30%	28%
Adjusted EBITDA Margin:						36%	33%

1. Includes Port business & elimination of intersegment sales

EBITDA and EBITDA margin

EBITDA for 1H FY2025 stood at US\$ 2,600 million, increased by 6% in comparison with 1H FY2024, primarily due to higher output commodity prices majorly at Aluminium and Zinc business & structural cost savings partially offset by arbitration gain of \$583 million in Oil & Gas business in 1H FY2024. (See 'Operating profit variance' for more details.)

The Adjusted EBITDA margin was higher at 36% mainly on account of increased EBITDA margins at each Business units.

Special items (included interest income related and others)

In 1H FY2025 special items stood at positive US\$ 1,142 million which includes: -

- Gain of \$279 million was booked for the period ended 30 September 2024 for impairment reversal. This mainly includes impairment reversal of assets in Oil & Gas business (\$313 million).
- Gain on Consolidation of KCM (Revaluation of equity stake) amounting to US\$ 890 million is recognized in Special items.
- Further analysis of special items is set out in notes [5] of the financial statement.

Net interest

Finance costs (excluding special items) were higher by 22% YoY at US\$ 1,063 million in 1H FY2025 (1H FY2024: US\$ 870 million). This was primarily driven by increase in blended cost of borrowings (11.71% vs 9.5%).

Investment revenue in 1H FY2025 increased to US\$ 131 million (1H FY2024: US\$ 92 million). This was mainly due to increase in average investment during the period.

The increased cost of borrowings led to an increase of US\$ 154 million in net interest expense (excluding special items) during the period.

Other gains/(losses) excluding special items

Other gains/(losses) excluding special items for 1H FY2025 amounted to US\$ 5 million, compared to US\$ (31) million in 1H FY2024 majorly on account of forex gain.

Taxation

The normalized ETR (excluding special items) for 1H FY25 is 31.3%. 1H FY2024 tax expense includes one-time tax impact of \$774 million on account of adoption of new tax regime at Vedanta Limited.

Attributable profit/(loss)

The attributable profit before special items for the period was US\$ 18 million (1H FY2024: US\$ 149 million).

Fund flow post-capex

The free cash flow (FCF) post-capex for the period was US\$ 632 million (1H FY2024: US \$ 269 million).

Debt, maturity profile and refinancing

In 1H FY2025, gross debt increased to US\$ 14.9 billion compared with US\$ 14.3 billion as at 31 March 2024, driven by additional borrowing at Zinc India, Zinc International partially offset by deleveraging at Vedanta Resources limited standalone and aluminium business.

Our total gross debt of US\$ 14.9 billion comprises:

- US\$ 13.9 billion as term debt (March 2024: US\$ 13.8 billion);
- US\$ 0.2 billion of short-term borrowings (March 2024: US\$ 0.2 billion);
- US\$ 0.8 billion of working capital loans (March 2024: US\$ 0.3 billion).

The maturity profile of term debt of the Group (totalling US\$ 13.9 billion) is summarised below:

Particulars	As at 30 September 2024	As at 30 September 2023	FY2025	FY2026	FY2027	FY2028 & Beyond
Debt at Vedanta Resources Limited	4.8	5.5	0.2	0.8	1.7	2.8
Debt at subsidiaries	9.0	8.1	1.2	2.0	2.5	2.6
Total term debt	13.9	13.6	1.5	2.8	4.2	5.3

Term debt at our subsidiaries was US\$ 9.0 billion, with the balance at Vedanta Resources Limited.

Also, during 1H FY2025, net debt decreased from US\$ 12.3 billion as at 31 March 2024 to US\$ 11.4 billion as at 30 September 2024.

Cash and liquid investments stood at US\$ 3.6 billion as on 30 September 2024 (31 March 2024: US\$ 1.9 billion). The portfolio continues to be conservatively invested in debt mutual funds, and in cash and fixed deposits with banks.

Going Concern

The Group has prepared the consolidated financial statements on a going concern basis. The Directors have considered a number of factors in concluding on their going concern assessment.

The Group monitors and manages its funding position and liquidity requirements throughout the year and routinely forecasts its future cash flows and financial position. The key assumptions for these forecasts include production profiles, commodity prices and financing activities.

Prior to current period, the last going concern assessment carried out for the period ended 31 March 2024 was approved by the Board of Directors in May 2024. The Directors were confident that the Group will be able to operate within the levels of its current facilities for the foreseeable future, that the Group will be able to roll-over or obtain external financing as required and that prices will remain within their expected range.

Since then, while the other mitigating actions as highlighted in the period ended 31 March 2024 financial statements remain available to the Group, several recent significant developments have had a positive bearing on the liquidity and company's ability to continue as going concern. [For more information, please refer to, Note 1(c) of the Consolidated Financial Statements]

Notwithstanding the uncertainties, the Directors have confidence in Group's ability to execute sufficient mitigating actions. Based on these considerations, the Directors have a reasonable expectation that the Group and the Company will meet its commitments as they fall due over the going concern period. Accordingly, the Directors continue to adopt the going concern basis in preparing the Group's consolidated financial statements and Company's standalone financial statements.

Covenants

The Group's financing facilities, including bank loans and bonds, contain covenants requiring the Group to maintain specified financial ratios. The Group has complied with all the covenant requirements till 30 September 2024.

The Directors of the Group are confident that the Group will be able to comply requisite covenants for the going concern period and will be able to execute mitigating actions [as per note 1(c) of the Consolidated Financial Statements] to ensure that the Group avoids, or secures waivers or relaxations for future period breaches, if any, of its covenants during the going concern period.

Credit rating

S&P Global upgrades Vedanta Resources Credit rating to B with stable outlook. This marks third-positive action in last 12 months, resulting in cumulative upgrade of five notches from a year ago.

As on 30 December 2024, Issuer Credit Ratings of Vedanta Resources Ltd are 'B/Stable' by S&P Global and 'B-/Positive' by Fitch. The movement of ratings during the current fiscal year are mentioned below.

On 25 July 2024, S&P Global Ratings upgraded the ratings of Vedanta Resources Ltd to 'B-' from 'CCC+' while maintaining a stable outlook on improving capital structure and liquidity. The rating action was driven by significantly deleveraging of VRL's balance sheet leading to a capital structure that supports sustainable growth over the long-term. S&P opined that Vedanta Resources has sufficient internal resources to meet its debt maturities along with its strengthening cash flow position and the recent increase in the valuation of Vedanta Ltd' shares improve funding flexibility.

On 16 October, 2024, S&P notched down senior unsecured note issued by Vedanta Resources from 'B-' to 'CCC+' while the issuer credit rating remains at 'B- with stable outlook'. There was no change in the underlying credit profile of the company and the rating action follows the review of S&P's jurisdiction assessment of the insolvency regime in India. The notch down in the issue ratings

reflects material subordination risk for unsecured lenders due to the presence of substantial secured and priority debt in our capital structure.

On 20 December 2024, S&P upgraded issuer credit rating of VRL to 'B/Stable' and issue ratings to 'B-'. The rating action factors successful issuance of bonds of 2,000 Mn \$ followed by a consent solicitation of 460 Mn \$ which together removes the springing maturity covenant. The upgrade also reflects a likelihood of improvement in the company's capital structure.

Meanwhile in November 2024, Fitch assigned a rating of 'B-/Positive' on Vedanta Resources while the rating on senior unsecured bonds of \$800mn (issued in November 2024) was assigned at 'B-'. The Positive Outlook reflects VRL's reduced debt and improved financial flexibility, evident from its better access to the capital market to refinance its debt maturities.

The Group remains in a very comfortable position to address all its debt maturities with a strong balance sheet, robust liquidity at its operating subsidiaries and strong track record of raising funds through capital markets and relationship banks. The Group remains committed to maintaining a healthy liquidity, a low gearing ratio, deleveraging and strengthening balance sheet.

Balance sheet

	<i>(US\$ million, unless stated)</i>		
Balance Sheet	Six months to 30 September 2024	Six months to 30 September 2023	For Year Ended 31 March 2024
Goodwill	-	12	-
Intangible Assets	72	60	84
Property, Plant and Equipment	16,294	13,088	13,452
Exploration and Evaluation Assets	312	287	282
Other Non - Current Assets	1,743	2,504	2,527
Cash and liquid investments	3,665	2,144	1,959
Other Current Assets	4,306	4,408	4,026
Total Assets	26,391	22,503	22,330
Gross Debt	(14,943)	(14,670)	(14,330)
Other Current and Non-Current Liabilities	(9,553)	(8,810)	(8,848)
Net Assets	1,895	(977)	(848)
Shareholders' equity/(deficit)	(877)	(3,337)	(3,428)
Non- controlling interests	2,772	2,360	2,580
Total equity	1,895	(977)	(848)

Shareholders' (deficit)/equity was US\$ (877) million at 30 September 2024 compared with US\$ (3,428) million at 31 March 2024, mainly driven by change in attributable profit, sale of stake in subsidiary and issue of additional equity shares through Qualified Institutions Placement by Vedanta Limited.

Non-controlling interests increased to US\$ 2,772 million at 30 September 2024 (from US\$2,580 million at 31 March 2024).

Property, plant and equipment (PPE)

During 1H FY2025, PPE stood at US\$ 16,294 million (31 March 2024: US\$ 13,452 million). The increase was primarily driven by consolidation of KCM & addition in Oil and Gas and Aluminium business partly offset by depletion charge.

Projects

Capex in Progress (In \$ mn)	Status	Approved Capex ²	Spent up to FY24 ³	Spent in FY25	Unspent ⁴ as on 30 September 2024
Cairn India¹ – Mangala, Bhagyam & Aishwariya infill, OALP, ABH infill, RDG infill, Offshore infill etc	In progress	1070	399	109	561
Aluminium Sector					
Jharsuguda VAP capacity expansion and others	In progress	254	111	38	106
Coal & Bauxite Mines (Jamkhani, Radhikapur, Kurloi, Ghoghrapalli, Sijimali)	In Progress	1079	129	18	933
Lanjigarh Refinery: 2 to 5 MTPA	In Progress	868	513	101	254
Balco smelter and VAP capacity expansion	In Progress	1068	485	212	371
Zinc India					
Mine expansion	In progress	2077	1863	0	214
Roaster (Debari)	In Progress	128	36	52	40
Others	In progress	482	153	36	293
Zinc International					
Gamsberg Phase II Project	In Progress	466	227	60	179
Iron Ore Project	In Progress	37	28	4	5
ESL					
1.5 to 3 MTPA hot metal	In progress	349	133	26	190
Avanstrate					
Furnace Expansion and Cold Line Repair	In progress	125	40	1	84
FACOR					
1.5MTPA ROM at Ostapal Underground mine and set up of 300KTPA Ferro Chrome plant	In progress	318	17	8	294
Athena					
Athena Power	In progress	96	18	30	48
Iron Ore Business					
3 MTPA Magnetite Iron ore Concentrator plant at Liberia (WCL) (USD 280 mn)	In progress	280	0	0	280

1. Capex approved for Cairn represents Net capex, however Gross capex is US\$1.4 bn.
2. Based on exchange rate prevailing at time of approval.
3. Based on exchange rate prevailing at the time of incurrence.
4. Unspent capex represents the difference between total capex approved and cumulative spend as at 30 September, 2024

OPERATIONAL REVIEW

ZINC INDIA

Summary

In 1H FY2025, Zinc India has delivered highest ever first half year mined metal production at 519kt. During 1H FY2025 our underground mines had ore production of 7.80 Mn MT. We delivered 524kt of refined metal and 11.3 million ounces silver.

Production performance

Production (KT)	1H FY2025	1H FY2024	% change	FY 2024
Total mined metal	519	509	2%	1,079
Refinery metal production	524	501	5%	1,033
- Refined zinc – integrated	409	394	4%	817
7- Refined lead – integrated ¹	115	107	7%	216
Production – silver (million ounces) ²	11.3	11.6	(3)%	23.2

1. Excluding captive consumption of 3,811 tonnes in 1H FY2025 vs of 3,900 tonnes in 1H FY2024

2. Excluding captive consumption of 672 thousand ounces in 1H FY2025 vs. 645 thousand ounces in 1H FY2024

Operations

Best-ever mined metal production in first half year at 519 kt, up 2% YoY with higher ore treatment & overall improved mined metal grades. Refined metal production at 524 kt, up 5% YoY in line with plant availability. Refined zinc production was at 409 kt, up 4% YoY & refined lead production at 115 kt, up 7% YoY. Saleable silver production at 11.3 moz, down 3% YoY on account of lower silver input from SK Mine.

Prices

	1H FY2025	1H FY2024	% change	FY 2024
Average zinc LME cash settlement prices US\$/t	2,805	2,476	13%	2,475
Average lead LME cash settlement prices US\$/t	2,104	2,145	(2)%	2,122
Average silver prices US\$/ounce	29.2	23.8	22%	23.6

The year has seen a stark improvement in base metal and precious metal prices, whose momentum sustained throughout the half year. The market also witnessed buoyed up sentiments despite the prevailing geopolitical tensions, post a larger-than-expected rate cut by the US Fed and the policy support measures announced by China. Zinc prices surged 13% YoY during 1H FY2025 to \$2,805 per tonne as compared to \$2,476 per tonne in 1H FY2024. The LME warehouse stocks stood at 253 kt at the end of Sep'24 as against 264 kt at the end of Mar'24.

The total tonnage of zinc in Shanghai Futures Exchange (SHFE) warehouses fell to 80 kt on 30th Sep'24 as against 122 kt on 28th Mar'24. The refined zinc imports of China rose by 25% YoY to 320 kt in January-September 2024 period with the top 3 sources in Sep'24 being Australia, Kazakhstan, and India.

Lead prices dropped by 2% YoY in 1H FY2025, averaging at \$2,104 per tonne. However, India's share in global lead demand is expected to increase from 9.2% in 2023 to 9.9% in 2026, on account of increasing digital transactions and growing data centres.

Coming to silver, the prices rallied along with the gold prices with an average of \$29.2 per troy ounce, up 22% YoY during 1H FY2024, even touching the highest of \$32.0 per troy ounce. With the Indian industrial sector shifting towards renewable energy and EVs, etc., the domestic silver demand is expected to expand beyond jewellery and physical investments.

Unit costs

	1H FY2025	1H FY2024	% change	FY 2024
Unit costs (US\$ per tonne)				
- Zinc (including royalty)	1,468	1,502	(2)%	1,450
- Zinc (excluding royalty)	1,089	1,167	(7)%	1,117

Zinc cost of production before royalty was \$1,089, down 7% YoY driven by softened coal & input commodity prices and better domestic coal (linkage) availability.

Of this figure, government levies amounted to US\$ 415 per tonne (1H FY2024: US\$ 373 per tonne), comprised mainly of royalty payments, the Clean Energy Cess, electricity duty and other taxes.

Financial performance

(US\$ million, unless stated)

	1H FY2025	1H FY2024	% change	FY 2024
Revenue	1,890	1,652	14%	3,373
EBITDA ^o	960	775	24%	1,638
EBITDA margin (%)	51%	47%		49%
Depreciation and amortisation	196	188	4%	399
Operating profit before special items	764	587	28%	1,239
Share in Group EBITDA (%)	37%	32%		35%
Capital expenditure	247	251	(1)%	472
Sustaining	162	172	(6)%	355
Growth	86	79	9%	117

The revenue for 1H FY2025 stood at US\$ 1,890 million, up 14% YoY, and EBITDA was US\$ 960 million, up 24% YoY. The increase in revenue is primarily driven by increased zinc prices and higher volumes in 1H FY2025. The increase in EBITDA is in line with revenue.

Projects

- Project for 160ktpa Roaster at Debari, is on track with commissioning being targeted by Q4 FY25.
- Project for 510ktpa Hindustan Zinc Fertilizers Private Limited (HZFPL) project is on track with the completion being targeted by Q2 FY26.

Strategic Priorities & Outlook

Mined metal for FY2025 is expected to be between 1,100-1,125 kt and refined metal production in the range of 1,075-1,100 kt. Saleable silver production is projected to be between 750-775 MT.

Zinc cost of production (excluding royalty) in FY2025 is expected to be in between US\$ 1,050-1,100 per MT. Project capex for the year is expected to be in the range of US\$ 270-325 million.

Our primary focus remains on enhancing overall output, cost efficiency of our operations, disciplined capital expenditure and sustainable operations. Whilst the current economic environment remains uncertain our goals over the medium term are unchanged.

Our key strategic priorities include:

- Ramp up of underground mines and smelters towards their stated capacities, delivering increased metal and silver output in line with communicated strategy.
- Increase R&R through higher exploration activity and new mining tenements, as well as upgrade resource to reserve.
- Sustain cost of production in the range of US\$ 1,050- US\$ 1,100 per tonne through efficient ore hauling, higher volume & grades and higher productivity through ongoing efforts in automation and digitization.

- Expansion of product portfolio and disciplined capital investments in minor metal recovery to enhance profitability.
- Progressing towards sustainable future with continued efforts towards reduction in GHG emissions, water stewardship, circular economy, biodiversity conservation and waste management.

ZINC INTERNATIONAL

Summary

During 1H FY2025, Zinc International produced 81kt of zinc and lead metal in concentrate. Black Mountain production increased from 37kt to 23kt, Gamsberg production decreased from 97kt to 58kt, and Skorpion Zinc has remained under Care and Maintenance since 1HFY21.

Production performance

	1H FY2025	1H FY2024	% Change	FY2024
Total production (KT)	81	134	(40)%	208
Production – metal in concentrate (KT)				
Gamsberg	58	97	(40)%	147
BMM	23	37	(38)%	61

Operations

During 1H FY2025, Zinc International's total production was at 81,000 tonnes, lower by 40% YoY.

Gamsberg production declined 40% YoY. Production performance during the period was impacted by mining challenges and lower tons treated.

Black Mountain production was lower by 38% (23kt vs 37kt) mainly due to lower tons treated and lower zinc and lead grades, partly offset by higher recoveries of zinc and lead.

At Skorpion Zinc, the operation has remained under care and maintenance since FY21.

Unit costs

	1H FY2025	1H FY2024	% Change	FY 2024
Zinc (US\$ per tonne) unit cost	1,388	1,375	1%	1,488

The unit cost of production increased by 1% to \$1,388/t from \$1,375/t in 1HFY24. This was mainly driven by lower zinc & lead production \$258/t (81kt vs 134kt), lower copper production and credits \$105/t (2.1kt vs 3.7kt), and exchange rate appreciation \$29/t (ZAR18.3 vs ZAR18.7/USD) offset by lower zinc and lead TCRC \$379/t (\$5/dmt vs \$190/dmt).

Financial Performance

(US\$ million, unless stated)

	1H FY2025	1H FY2024	% Change	FY 2024
Revenue	211	265	(20)%	430
EBITDA	67	69	(3)%	84
EBITDA margin	32%	26%		20%
Depreciation	24	29	(16)%	55
Operating profit before special items	43	40	7%	29
Share in group EBITDA %	3%	3%		2%
Capital expenditure	122	98	24%	256
Sustaining	57	27	-	58
Growth	66	72	(8)%	198

During the period, revenue decreased by 20% to US\$ 211 million, on account of lower volumes which was partially set off by higher LME prices (\$2805/t vs \$2,476/t) in 1H FY2025 compared to same period in previous financial year. Lower EBITDA in 1HFY2025 vs 1H FY2024 is a result of lower volumes and increased cost, partly offset by higher prices.

Projects

Gamsberg Phase 2:

Gamsberg Phase 2 project includes the mining expansion from 4 MTPA to 8 MTPA and Construction of New Concentrator plant of 4 MTPA, taking the total capacity to 8 MTPA and was approved by the Vedanta Board in Q4 of FY22. The EPC partner, Onshore, was appointed in 1QFY23 and M&D appointed for construction of the Project. All Major Long lead FIMs {Ball & Sag Mill (CITIC), Crusher, Flotation, Filter Presses and Thickeners Package (MO)} have been delivered to project site. The status on the project is as follows:

- Overall Progress 62.29%
- Target completion by 2H FY26 (Mechanical Completion and Full Ramp up).
- Engineering and Procurement are 99.6% and 96.8% completed respectively

Strategic Priorities & Outlook

We expect FY2025 production volumes at BMM to be around 50-60kt and at Gamsberg to be around 160-170 kt. The cost of production is expected to be around \$1,300/t - \$1,400/t for the financial year.

Zinc International continues to remain focused to improve its production by sweating its current assets beyond its design capacity, debottlenecking the existing capacity, and adding capacity through growth projects. Our priority is to improve the Gamsberg mining volumes and Phase 1 Plant to designed capacity and simultaneously complete Gamsberg Phase 2 project to add another 200kt to the total production of VZI. BMM continues to deliver stable production performance and focus is to debottleneck its ore volumes to 2.0 million tons per annum. Skorpion is expected to remain in care and maintenance while management is assessing feasible & safe mining methods to extract the remaining ore from Pit 112. Zinc International continues to drive cost reduction programme to place Gamsberg operations on 1st Quartile of global cost curve with COP< US\$1,200 per ton.

Key strategic priorities include the following:

- Completion of construction activities of Gamsberg Phase 2 Project with aim to start production in 2HFY2026.
- Continue to improvise business case of Swartberg Phase 2, Capex and Opex reduction.
- Construction of the Magnetite Project is currently underway with overall progress at 86% at the end of 1HFY25. Commissioning of the plant is expected at the end of 2HFY25.

OIL & GAS

Summary

During 1H FY2025, Oil & Gas business delivered gross operated production of 109 kboepd, down by 19% YoY, primarily driven by natural reservoir decline at the MBA fields. The decline was partially offset by addition of volumes through new infill wells brought online in Mangala, Aishwariya, Bhagyam and Raageshwari Deep Gas fields. OALP assets were supported by ramp up of volumes from Jaya discovery.

Production performance

	Unit	1HFY2025	1HFY2024	% change	FY2024
Gross operated production	Boepd	108,627	134,477	(19%)	127,549
Rajasthan	Boepd	88,890	112,066	(21%)	106,469
Ravva	Boepd	11,113	11,259	(1%)	10,807
Cambay	Boepd	4,774	10,525	(55%)	8,899
OALP	Boepd	3,850	627	514%	1,374
Oil	Bopd	86,077	110,033	(22%)	104,046
Gas	Mmscfd	135	147	(8%)	141
Net production – working interest*	Boepd	71,207	86,315	(18%)	82,450
Oil	Bopd	55,218	70,249	(21%)	66,772
Gas	Mmscfd	95.9	96.4	(0%)	94.1
Gross operated production	Mmboe	19.9	24.6	(19%)	46.7
Net production – working interest	Mmboe	13.0	15.8	(18%)	30.2

* Includes net production of 725 boepd in 1HFY2025 and 498 boepd in 1HFY2024 from KG-ONN block, which is operated by ONGC. Cairn holds a 49% stake.

Operations

Average gross operated production across our assets was 19% lower YoY at 108,627 boepd. The company's production from the Rajasthan block was 88,890 boepd, 21% lower YoY and from the offshore assets, was at 15,887 boepd, 27% lower YoY. The natural decline has been partially offset by infill wells brought online across fields in Rajasthan and ramp up of volumes from Jaya discovery.

Production details by block are summarized below.

Rajasthan block

Gross production from the Rajasthan block averaged 88,890 boepd, 21% lower YoY. The natural decline in the MBA fields has been partially offset by infill wells brought online in Mangala, Aishwariya and RDG fields.

Gas production from Raageshwari Deep Gas (RDG) averaged 121 million standard cubic feet per day (mmscfd) in 1H FY2025, with gas sales, post captive consumption, at 105 mmscfd.

The appeal against the Division Bench order (additional 10% profit sharing from 2020 onwards) was filed by us before the Supreme Court in June 2021. The matter was part heard on 16th February 2023 and mentioned by the Company several times for early listing. We await the next date of hearing.

The Government of India (GoI), acting through the Directorate General of Hydrocarbons (DGH), had raised demand up to 14th May 2020 for Government's additional share of Profit oil based on its computation of disallowance of cost incurred over retrospective re-allocation of certain common costs between Development Areas (DAs) of Rajasthan Block and certain other matters aggregating to \$1,162m applicable interest thereon representing share of Vedanta Limited and its subsidiary.

We had disputed the aforesaid demand and invoked arbitration as per the provisions of the Production Sharing Contract. The Group had received the Final Partial Award dated 22nd August 2023 from the Arbitration Tribunal ('the Tribunal') as amended by orders dated 15th November 2023 and 08th December 2023 ('the Award'), dismissing the Government's contention of the additional Profit Petroleum in relation to

allocation of common development costs across Development Areas and certain other matters in accordance with terms of the Production Sharing Contract for Rajasthan Block, while allowing some aspects of the objections. Further, the Tribunal had decided that the Group was allowed to claim cost recovery of exploration cost as per terms of the Production Sharing Contract.

Pursuant to the award, the Group had recognized a benefit of \$578m in Revenue from operations in financial year ended 31st March 2024. The Group has been adjusting the profit petroleum liability against the aforesaid benefit.

GoI had filed interim relief application on 03rd February 2024 stating that the Group has unilaterally enforced the award although the quantification of the same is pending. The matter was heard on 26 March 2024 and the Tribunal vide its order dated 29 April 2024 has denied GoI's interim relief application in favour of the Group. GoI has filed an appeal before the Delhi High Court ("Section 37 Appeal"). Next date of hearing is 25 November 2024. In the interim, vide letter dated 6 May 2024, GoI has submitted its calculation of the quantum, basis the Award. GoI has claimed a sum of \$224m from the Group. The Group is of the view that the GoI computation is prima-facie contrary to the Award including clarifications issued by the Tribunal. The Tribunal has allowed these costs for cost recovery, but this was not considered by GoI in their calculation of the quantum. The Group has responded to the GoI with its detailed analysis and is awaiting a response.

GoI had also filed a challenge against the Award on 7 March 2024 in Delhi High Court and the matter was first heard on 14 March 2024. Notice has been issued on 01st August 2024 in Section 34 and granted liberty to the Group to file its response. Further, no stay has been granted to GoI against the adjustment of liability by the Group. Next date of hearing is 25 November 2024. The Group believes that the Court may not re-appreciate the evidence in Section 34 appeal as the interpretation by the Tribunal is plausible.

Ravva block

The Ravva block produced at an average rate of 11,113 boepd, lower by 1% YoY, owing to natural field decline.

Cambay block

The Cambay block produced at an average rate of 4,774 boepd, lower by 55% YoY, owing to natural field decline.

Prices

Particulars	1H FY2025	1H FY2024	% change	FY2024
Average Brent prices -US\$/barrel	82.6	82.6	(0)%	83.1

Crude oil price averaged US\$82.6 per barrel in 1H FY2025, flat YoY. However, there was significant volatility during this period, primarily due to geopolitical tensions in the Middle East, OPEC production cuts, and declining economic growth in developed economies contributing to the fluctuations.

Early in the year, prices increased, driven by escalating tensions in the Middle East and OPEC supply cuts, but started to ease as geopolitical tensions softened and uncertainties surrounding global monetary policies grew. This marked the beginning of a downward trend that persisted through the remainder of the period, despite brief price recoveries in June and July due to factors like U.S. crude stock declines, European Central Bank's decision to cut interest rates and potential supply disruptions.

By the end of 1H FY2025, prices saw a considerable decline from its highs in the initial period. The drop was largely fueled by concerns over slowing economic growth in major economies like the U.S., China, and Europe, coupled with easing geopolitical tensions. The price averaged around US\$90 per barrel in April and ended at US\$74 per barrel in September, reflecting the market's cautious outlook amid growing uncertainties.

Financial performance

(\$m, unless stated)				
Particulars	1H FY2025	1H FY2024	% change	FY2024
Revenue	688	1,345	(49)%	2,155
EBITDA	270	851	(68)%	1,184
EBITDA margin	39%	63%		55%
Depreciation and amortisation	162	158	3%	327
Operating profit before special items	93	627	(35)%	768
Share in Group EBITDA %	10%	35%		25%
Capital expenditure	156	182	(14)%	337
Sustaining	20	9	-	22
Growth	135	172	(21)%	315

Revenue for 1H FY2025 was 49% lower YoY at \$691 million (after profit petroleum and royalty sharing with the Government of India), impacted by lower volumes. Previous period includes impact of favourable order received in GOI Arbitration. EBITDA for 1H FY2025 was at \$270 million, lower by 68% YoY in line with the lower revenues.

The Rajasthan operating cost was US\$15.8 per barrel in 1H FY2025 compared to US\$13.9 per barrel in the 1H FY2024, primarily driven by lower production volumes.

A. Growth Projects Development

The Oil & Gas business has a robust portfolio of infill development & enhanced oil recovery projects to add volumes in the near term and manage natural field decline. Some of key projects are:

Infill Projects

Mangala

Based on the success of the infill drilling campaigns in Mangala field, opportunities to further accelerate production by drilling and hook up of 18 wells (15 producers and 3 injectors) in FM1 sands were identified. The project also entails conversion of 6 wells.

As of 30th September 2024, 14 wells have been drilled, of which 13 wells are online

Aishwarya

Based on the success of the polymer injection in Lower Fatehgarh (LF) sands of Aishwariya field, additional production opportunities were identified in Upper Fatehgarh (UF) sands. The project entails drilling of 25 infill wells in Upper Fatehgarh (UF) sands and conversion of 7 existing wells to UF polymer injectors.

As of 30th September 2024, 24 wells have been drilled, of which 23 wells are online.

Tight Oil (ABH)

Aishwariya Barmer hill infill drilling program established confidence in reservoir understanding of ABH. Based on its success, drilling of 14 additional wells were conceptualized.

As of 30 September 2024, 8 wells have been drilled of which all wells are online. Drilling for remaining 6 wells has commenced and is expected to be completed by fourth quarter of fiscal year 2025.

Tight Gas (RDG)

To augment reserves and manage natural decline, an infill drilling campaign of 8 wells drilling commenced during fiscal year 2024. As of 30th September 2024, all 8 wells have been drilled of which 7 wells are online.

B. Exploration and Appraisal

Under the Open Acreage Licensing Policy (OALP), revenue-sharing contracts have been signed for 51 blocks located primarily in established basins, including some optimally close to existing infrastructure, of which 5 onshore blocks in the KG region have been relinquished.

During first half of the fiscal year 2025, we drilled three exploration wells [1 well in Rajasthan (Durga), 2 wells in North-East (Jagun North and FW-004)]. Drilling preparations ongoing to drill another 5-7 exploration wells across regions in the second half of fiscal year 2025.

Seismic Acquisition activities are ongoing in the North-East and Cambay Onshore region.

Strategic Priorities & Outlook

Vedanta's Oil & Gas business has a robust portfolio mix comprising of exploration prospects spread across basins in India, development projects in the prolific producing blocks and stable operations which generate robust cash flows.

The key priority ahead is to deliver our commitments from our world class resources with 'zero harm, zero waste and zero discharge:

- Infill projects across producing fields to add volume in near term.
- Define new development projects to bring these Resources into production.
- Unlock the potential of the exploration portfolio comprising of OALP and PSC blocks.
- Continue to operate at a low cost-base and generate free cash flow post-capex.

ALUMINIUM

Summary

Our Lanjigarh Alumina Refinery recorded half yearly production at 1,039 KT and Aluminium smelters produced 1,205 KT.

Production performance

Production (KT)	1H FY2025	1H FY2024	% change	FY 2024
Alumina – Lanjigarh	1,039	859	21%	1,813
Total aluminium production	1,205	1,173	3%	2,370
Jharsuguda	910	880	3%	1,784
BALCO	295	293	1%	586

Alumina refinery: Lanjigarh

At Lanjigarh, production was at 1,039KT, up by 21% YoY. Increasing captive Alumina production and local Bauxite sourcing are key in our efforts to drive the aluminium costs lower. In line with the vision of 100% captive Alumina, we are expanding our Alumina refinery from 2MTPA to 5MTPA.

Aluminium smelters

Total Production for 1H FY2025 stood at 1,205 KT increased by 3% YoY.

Jharsuguda

Production from Jharsuguda stood at 910 KT, increased by 3% YoY.

BALCO

Production from Balco stood at 295 KT, up by 1% YoY.

Prices

Particulars	1HFY2025	1HFY2024	% Change	FY 2024
Average LME cash settlement prices (US\$ per tonne)	2,449	2,204	11%	2,200

Average LME prices in 1H FY2025 stood at 2,449 \$/t, higher by 11% YoY . This was mainly driven by ban on Russian metal and interest rate cuts in the EU and US stimulating hopes of economic recovery. Primary markets were in a surplus at the beginning of 1H as the production resumed and also due to closed arbitrage window in China but later moved to a balanced position in the second half of 1H due to improved demand especially in Ex-China regions.

Unit costs

	1H FY2025	1H FY2024	% Change	FY 2024
<i>(US\$ per tonne)</i>				
Alumina cost (ex-Lanjigarh)	338	344	(2)%	325
Aluminium hot metal production cost	1,725	1,872	(8)%	1,796
Jharsuguda CoP	1,665	1,837	(9)%	1,761
BALCO CoP	1,910	1,985	(4)%	1,904

During 1H FY2025, the Cost of Production (CoP) of Alumina at Lanjigarh refinery was lower by 2% YoY at US\$ 338 per tonne due to reduction in the input commodity costs. The total Bauxite requirement was met from Odisha bauxite (49%), other domestic sources (1%) and imports (50%), against 1H FY2024 mix of Odisha bauxite (49%), other domestic sources (3%) and imports (47%).

The Cost of Production (CoP) at Jharsuguda at US\$ 1,665 per tonne, down 9% YoY. The CoP at BALCO down 4% Yo-Y to US\$ 1,910 per tonne. The reduction in costs was largely attributed to lower power and carbon-related expenses, driven by a decline in the prices of coal, calcined petroleum coke (CP coke), and coal tar pitch (CT pitch). In Q2, we achieved lowest Hot Metal Cost (Ex-Alumina) at 921 \$/t in the past 13 Quarters.

Financial performance

	1H FY2025	1H FY2024	% Change	FY 2024
<i>(US\$ million, unless stated)</i>				
Revenue	3,260	2,895	13%	5,843
EBITDA	1,028	459	-	1,167
EBITDA margin	32%	16%	99%	20%
Depreciation and amortisation	162	139	16%	291
Operating profit before special items	866	320	-	875
Share in group EBITDA (%)	40%	19%		25%
Capital expenditure	357	378	(5)%	865
Sustaining	76	90	(15)%	173
Growth	281	288	(2)%	692

Revenue for 1H FY2025 stood at US\$ 3,260 million, increased by 13% YoY driven primarily by higher Aluminium LME prices & higher volumes.

EBITDA was at US\$ 1,028 million (1H FY2024: US\$ 459 million) increased in line with revenue due to higher Aluminium LME prices in 1H FY2025 & is also supported by the cost savings initiatives & input commodity rates.

Projects

Jharsuguda

Following major projects are currently on-going in Jharsuguda Plant 2:

a. Cast House

Additional Cast House is being set up in Plant 2 with an approved budget of Rs 811 crores having a capacity of 430 KTPA. The project activities have commenced, and the basic engineering and detailed engineering works have been completed. Site construction activities are in progress.

b. Carbon Plant

Carbon Projects consists of 2 major projects with an approved budget of Rs. 703 crores which includes Green Anode and Anode Rodding Shop. The project activities have commenced, and the basic engineering and detailed engineering works have been completed. Site construction activities are in progress.

BALCO

BALCO Growth Project is poised to add smelter capacity by 0.4 Mn TPA (to achieve 1 Mn TPA capacity) along with additional RP capacity (180K TPA) and Billet (420K TPA). Project is targeted to be completed with full ramp up by 1H FY'26.

Lanjigarh

Expansion Train 1 was commissioned in Mar'24. 1st Alumina is expected from Train 2 in Q3 FY'25. Project commissioning is under full swing with an average footfall of 6200. However inbound infrastructure readiness is expected in the next fiscal only.

Strategic Priorities & Outlook

Although LME prices have touched recent highs, it is fueled by surging alumina prices and Chinese stimulus hopes. The recent gains although not supported fundamentally are likely to sustain owing to expected rate cuts in the US and EU as well as introduction of Chinese stimulus. Markets are expected to shift into deficit as early as 2025 with global demand recovering and could keep the current upward price trend sustainable.

We are working towards improving our local bauxite sourcing to feed the alumina refinery. Lanjigarh refinery capacity expansion from 2 MTPA to 5 MTPA will improve captive alumina production and support our structural cost reduction.

We are also focusing on operationalization of our captive coal mines and bauxite mines.

In FY2025 we expect our Alumina production to be around 2.3 – 2.4 MTPA and Aluminium production to be around 2.4 MTPA. We expect hot metal cost of production at our smelters together to be between \$1,625/t - \$1,725/t in FY2025.

Our focus and priorities will be to:

- ESG: Safety & Well-being of all stakeholders, Low Carbon Green Aluminium Production (Restora, Restora Ultra), Diversity in Workforce, Circular Economy
- Asset Optimisation: >100% capacity utilization of assets through implementation of structured asset reliability program
- Operational Excellence: Continual improvement in operational parameters
- Quality: Zero customer complaints
- Raw Material Security: Operationalize Coal and Bauxite mines, Lanjigarh expansion to 5 MTPA
- Growth: Capacity expansion by 0.4 MTPA at BALCO
- Green Power tie-ups
- Product Portfolio: Improve value added product portfolio through completion of VAP projects

POWER

Summary

Plant load factor for Jharsuguda IPP was higher by 34% on YoY basis.

Production performance

	1H FY2025	1H FY2024	% Change	FY2024
Total power sales (MU)	7,622	7,027	8%	13,443
- Jharsuguda 600 MW	1,534	1,124	36%	2,771
- HZL wind power	237	278	15%	394
- TSPL	5,851	5,625	4%	10,278
- TSPL – availability	88%	87%	1%	82%

Operations

Power sales from Talwandi Sabo Power Plant (TSPL) were 5,851 million units, 4% up YoY. The power purchase agreement with the Punjab state compensates us based on the availability of the plant. TSPL operated at plant availability factor of 88% in 1H FY2025.

The Jharsuguda 600MW power plant operated at a lower plant load factor (PLF) of 63% in 1H FY2025 (Q1 FY 2025: 69%, Q2 FY 2025: 58%, 1H FY2024: 47%).

Unit sales and costs

	1H FY2025	1H FY2024	% Change	FY 2024
Sales realisation ex TSPL (US cent/kWh) ¹	3.8	3.7	5%	2.8
Cost of production ex TSPL (US cent/kWh) ¹	3.3	2.9	14%	2.6
TSPL sales realisation (US cent/kWh) ²	5.3	5.3	0%	4.1
TSPL cost of production (US cent/kWh) ²	4.3	4.3	1%	3.3

1 Power generation excluding TSPL

2 TSPL sales realisation and cost of production is considered above based on availability declared during the respective period

Average power sales prices, excluding TSPL, increased by 5% YoY. Power generation cost was at US cents 3.3 per kWh, up 14% YoY.

TSPL's average sales price & Power generation costs in 1H FY2025 were in line with 1H FY2024 at US cents 5.3 per kWh & US cents 4.3 per kWh respectively.

Financial performance

(US\$ million, unless stated)

	1H FY2025	1H FY2024	% change	FY 2024
Revenue	418	389	8%	743
EBITDA	54	65	(17)%	117
EBITDA margin	13%	17%		16%
Depreciation and amortisation	33	33	0%	65
Operating profit before special items	21	32	(35)%	52
Share in group EBITDA%	2%	3%		2%
Capital expenditure	0	1	(46)%	2
Sustaining	0	1	(40)%	2
Growth	0	0	-	-

EBITDA for the period at US\$ 54 million down 17% YoY.

Strategic Priorities & Outlook

- We will remain focused on achieving higher plant load factor at our Jharsuguda 600MW IPP.
- Improve power plant operating parameters to reduce the non-coal cost.
- Ensuring safe operations, energy & carbon management.
- In FY2025, we expect plant availability factor (PAF) at TSPL to be more than 85%.

IRON ORE

Summary

At Iron Ore Goa, Vedanta Limited has won Bicholim and Cudnem mines in the Goa State Government e-auction. The letter of intent was received in January 2024 and July 2024 for Bicholim and Cudnem Mine respectively. At Bicholim, we started production at the end of March 2024. For FY'25, we are estimating production of 3 million tons.

In case of Cudnem Mine, Mining Plan was approved on 7th Mar 24 and public hearing is completed on 18th Oct. Currently, awaiting for environmental appraisal committee meeting.

The production from Iron Ore Karnataka in 1H FY 2025 is 2.4 dry million tonnes (DMT).

Production performance

	1H FY2025	1H FY2024	% Change	FY 2024
Production (dmt)				
Saleable ore	2.6	2.4	6%	5.6
Goa	0.2	-	-	-
Karnataka	2.4	2.4	(1)%	5.6
Pig iron (KT)	395	430	(8)%	831
Sales (dmt)				
- Iron ore	2.0	2.6	(22)%	6.2
- Goa	0.0	0.1	-	0.3
- Karnataka	2.0	2.5	(18)%	5.9
- Pig iron (KT)	385	424	(10)%	836

Operations

In 1HFY24, Iron Ore Karnataka production was 2.4 million tonnes, down by 1% YoY and sales stood at 2.0 million tonnes, down by 22% YoY due to temporary suspension of mine production during Q1'25.

During the half-year, pig iron production stood at 395 KT lower by 8% YoY on account of blast furnaces shutdowns and maintenance activity.

Prices

The pig iron margin decreased from US\$ 29 per tonne in 1H FY 2023-24 to US\$ 11 per tonne in 1H FY 2024-25, primarily on account of reduction in market prices of Pig Iron, both in the domestic as well as export front. Further on account of, increase in cost due to increase in specific consumption raw material (because of high moisture content) and decrease in overall production of pig iron, met coke and power.

Financial performance

(US\$ million, unless stated)

	1H FY2025	1H FY2024	% Change	FY 2024
Revenue	322	500	(36)%	1,095
EBITDA	39	58	(33)%	200
EBITDA margin	12%	12%	-	18%
Depreciation	24	17	44%	39

Operating (loss) before special items	15	41	-	161
Share in group EBITDA %	2%	2%	-	4%
Capital expenditure	32	12	-	53
Sustaining	17	5	-	34
Growth	14	7	-	19

In 1H FY2025, revenue stood at US\$ 322 million, decreased by 36% YoY mainly due to lower realized prices & lower sales volumes.

In 1H FY2025, EBITDA stood at US\$ 39 million, lower 33% YoY. This was mainly due to lower realisation partially offset by cost savings & reduced input commodity prices.

Projects

1.2 Mtpa Debottlenecking Project is set to complete in Jan'25 with commissioning of blower by mid-November. PCI along with additional Silo is expected to be commissioned by December'24. Coke drying system will be commissioned by November'24 end. ESG project of Sinter plant ESP is planned to be completed by November'24.

IOK- 75 TPH Dry Beneficiation project will be commissioned by end of November.

Strategic Priorities & Outlook

The Company reinstated mining operations in Goa in March'2024.

The Company is working towards increasing its footprints in Iron Ore Business by continuing to participate in auctions across the country including Karnataka & Goa.

In FY 2025 we expect production at Karnataka to be between 5.4 - 5.7 DMT and pig iron production to be between 850 - 950 KT.

Our near-term priorities comprise:

- Ramp up of mining operations at Bicholim Mine.
- Ramp up of operations at Liberia and commissioning of Concentrator Plant.
- Introduction of new product line for Pig Iron Segment i.e Ductile Iron Pipe.
- Green Mining leveraging and Renewable energy.

STEEL

Summary

In 1H FY2025, Half yearly total saleable production of 652 kt, down 7% y-o-y and hot metal production of 693 KT, 8% down YoY due to plant shutdown on account of debottlenecking of Steel melting shop and major maintenance in oxygen plant.

Production performance

Particulars	1H FY2025	1H FY2024	% Change	FY 2024
Production (KT)	652	702	(7)%	1,386
Pig iron	145	124	17%	203
Billet	7	12	(42)%	30
TMT bar	222	252	(12)%	505
Wire rod	177	218	(19)%	436
Ductile iron pipes	101	96	5%	212

Operations

ESL achieved 651,926 tonnes of saleable production during 1H FY2025, down 7% YoY.

Our priority always remains to enhance production of value-added products (VAP) as part of realization improvement initiatives. During 1H FY2025, VAP production has declined to 77%, compared to 81% in 1H FY2024 due to shut down in steel melting shop for debottlenecking of BOF Convertors.

In relation to ESL's consent to operate the greenfield integrated steel plant at Bokaro MoEF vide its letter dated February 02, 2022, had deferred the grant of EC till Forest Clearance (FC) Stage-II is granted to the company. The company has so far procured substantial portion of land and the same have either been handed over to forest department or is in the advance stage of doing so for compensatory afforestation as required for obtaining Stage- II clearance. The company has received Cabinet approval from Government of Jharkhand (State Govt) for 527.55 acres of Government land out of which 400.45 acres of land has been transferred to the Forest Department for CA. Further, 512.85 acres of private land has also been transferred to the Forest Department for CA. The Company is in the process of procuring remaining land including certain government land pending cabinet approvals etc. in this respect, so as to ensure all the necessary compliances for obtaining EC. In the meantime, MoEF vide its letter dated June 05, 2023 has revoked the stage I clearance granted earlier, against which the company has made representation for reconsideration and grant of time for ensuring expeditious action for compliances as substantial progress have been made in identification and procurement of forest land. Moreover, as requested by MoEF the State Govt has submitted the status of compliances by the company with respect to various conditions stipulated for granting EC. During the period, Hon'ble High Court of Jharkhand vide it's order dated 26 June, 2024 has also taken on record the progress made by the company in terms of the procurement of land for the purpose of CA. On receipt of EC, application for obtaining Consent to Establish (CTE) and then Consent to Operate (CTO) will be made by the company.

Prices

	1H FY2025	1H FY2024	% change	(US\$ per tonne) FY2024
Average sales realisation	597	613	(3)%	610

Average sales realization decreased 3% YoY from US\$ 613 to US\$ 597 per tonne in 1H FY2025. This was mainly driven by decline in market prices, lower VAP sales and increase in forex rate. Prices of iron & steel are influenced by several macro-economic factors such as government spend on infrastructure, emphasis on development projects, demand supply forces, seasonal factors, the Purchasing Managers' Index (PMI) in India and production and inventory levels in India and across the globe, especially China.

Unit costs

	1H FY2025	1H FY2024	% change	FY2024
Steel (US\$ per tonne)	556	590	(6)%	588

The cost of production stood at US\$ 556 per tonne in 1H FY2025, decreased by 17%. This was majorly impacted by Coking coal prices in line with decrease in index prices (Platt) impacted coke prices.

Financial performance

	1H FY2025	1H FY2024	% change	(US\$ million, unless stated) FY 2024
Revenue	467	496	(6)%	1,003
EBITDA	27	16	66%	27
EBITDA margin	6%	3%		3%
Depreciation and amortisation	24	23	7%	49
Operating profit before special items	3	(6)	-	(22)
Share in group EBITDA %	1%	1%		1%

Capital expenditure	38	29	30%	79
Sustaining	6	5	28%	8
Growth	32	24	31%	71

Revenue for the period 1HFY2025, stood at US\$ 467 million, lower by 6% YoY. This is mainly driven by lower realisations & reduced volumes.

EBITDA for the period stood at US\$ 27 million in 1H FY2025 against US\$ 16 million in 1H FY2024. There was lower sales realisation partially offset by lower input commodity prices.

Projects

The project is expected to be completed by Q4 FY2025 and ramp up by Q1 FY2026. The delay has been primarily due to delay in obtaining statutory clearances. We are confident of bringing the same back to schedule by fast tracking ancillary works on the ground.

Strategic Priorities & Outlook

With the fading of monsoon coupled with festive season , both prices and demand are expected to rise. The outlook is expected to remain positive due to increased focus and demand from government sector and liquidity support on various government projects. The steel market is expected to remain positive in the near term as well as the long-term outlook for the industry is positive, as demand is expected to grow in the coming years.

With the growing demand for steel in India, ESL has prioritised to increase its production capacity from 1.5 MTPA to 3 MTPA by FY25 and 5 MTPA by FY27 with a vision to become high-grade, low-cost steel producer with lowest carbon footprint. The focus is to operate with the highest Environment, Health and Safety standards, while improving efficiencies and unit costs. The focus areas comprise of:

- Innovation in Technology for sustainable operations/production
- Development of low-cost Capex products (Alloy Steel Segments and Flat Products) to capture market share
- Optimise and significantly reduce logistics cost over time
- Greater focus on Reliability Centred Maintenance
- Obtain clean 'Consent to Operate' and environmental clearances
- Ensure zero harm and zero discharge, fostering a culture of 24x7 safety culture.

Ferro Alloys Corporation Limited (FACOR)

Summary

In 1H FY2025, the ore production from mines stood at 118 KT and Ferro Chrome production was 53KT.

Production Performance

Particulars	1H FY2025	1H FY2024	% Change	FY 2024
Ore Production (KT)	118	94	26%	240
Ferrochrome Production (KT)	53	31	70%	80
Ferrochrome Sales (KT)	53	30	77%	78
Power Generation (MU)	273	103	-	291

Ore production was up 26% YoY, mainly on account of mine shutdown in 2QFY24. FACOR achieved Best ever Ferrochrome production in first half year at 53 kt, up 70% YoY, driven by the commissioning of a new furnace. Also, there was plant shutdown in 1QFY24.

Margin

	1H FY2025	1H FY2024	% Change	FY2024
Margin (US\$ per tonne)	101	135	-25%	177

The decrease in margin by 25% on Y-o -Y basis is mainly due to procurement of ore from open market.

Financial Performance

(US\$ million, unless stated)

	1H FY2025	1H FY2024	% change	FY 2024
Revenue	70	37	91%	98
EBITDA	5	4	32%	14
EBITDA margin	8%	11%		14%
Depreciation and amortisation	3	4	(6)%	10
Operating profit before special items	2	0	-	4
Share in Group EBITDA %	0%	0%		0%
Capital expenditure	19	5	-	26
Sustaining	1	1	-	5
Growth	17	4	-	21

Revenue for the period 1H FY2025, stood at US\$ 70 million, increased by 91% YoY due to increased volumes on account of commissioning of new furnace.

EBITDA for the period stood at US\$ 3 million in 1H FY2025 against US\$ 4 million in 1H FY2024. The reduction in EBITDA was impacted due to lower realisations.

Projects

- Ferrochrome capacity expansion by 300 KTPA by FY27.
- Underground Mine of 1.5 MTPA ROM .
- 600 KTPA Concentrator.
- 300 KTPA Ferro Chrome Plant Capacity

Strategic Priorities & Outlook

- Expansion of Mines from current capacity of 240 Kt to 390 Kt.
- Expansion of Growth project Capex of 300 Ktpa
- Lease revival of Kathpal mine

COPPER – INDIA/ AUSTRALIA

Summary

Silvassa refinery produced 61 KT of copper cathode in 1H FY2025.

Tuticorin smelting operations has remain halted since April 2018 while we continue to engage with the Government and relevant authorities to enable the restart of operations at Copper India.

Production performance

	1H FY2025	1H FY2024	% Change	FY 2024
Production (KT)				
- India – cathode	61	66	(8)%	141

Operations

Cathode Production from the Silvassa decreased by 8% YoY due to temporary supply chain disruptions which have been corrected for H2 & Production from Silvassa Rod Plant decreased by 4 % Y-O- Y.

The Company's Tuticorin smelting operations has remained halted since April 2018. In this regard, the Company had filed SLP on 26th Aug 2020, before the Supreme Court. The Hon'ble Supreme Court, after hearing the parties to the proceedings had dismissed the SLP filed by the Company vide judgment dated 29 February 2024.

On 01 April 2024, The Company preferred a review petition before the Hon'ble Supreme Court. In the said review petition, the Company has also moved an application for open Court hearing of the review petition.

In the interim, we continue with our engagement with the local communities and stakeholders through various outreach and CSR.

Our copper mine in Australia has remained under extended care and maintenance since 2013. However, we continue to evaluate various options for its profitable restart, given current favourable government support.

Prices

	1H FY2025	1H FY2024	% Change	FY 2024
Average LME cash settlement prices (US\$ per tonne)	9,475	8,408	13%	8,353

Average LME copper prices increased by 13% compared with 1H FY2024 predominantly due to high demand in global Market.

Financial performance

(US\$ million, unless stated)

	1H FY2025	1H FY2024	% change	FY 2024
Revenue	1,329	1133	17%	2383
EBITDA	(9)	(13)	(31)%	(9)
EBITDA margin	(1)%	(1)%		0%
Depreciation and amortisation	15	12	21%	26
Operating profit before special items	(24)	(25)	(5)%	(35)
Share in Group EBITDA %	(1)%	(1)%		0%
Capital expenditure	1	2	(53)%	7
Sustaining	1	-		5
Growth	0	2	(92)%	2

During 1H FY2025, revenue stood at US\$ 1,329 million, higher by 17% YoY driven by higher LME Prices & premium partly offset by lower volumes and EBITDA was US\$ (9) million, loss reduced in line with increased revenue.

Projects

Vedanta Copper International has been incorporated in Kingdom of Saudi Arabia to produce copper rods with capacity 125 ktpa post commissioning.

Strategic Priorities & Outlook

Over the following year our focus and priorities will be to:

- Engage with the Government and relevant authorities to enable the restart of operations at Copper India;
- Improve operating efficiencies, increase sales margin and reduce production costs
- Upgrade technology & digitalisation to ensure high-quality products and services that sustain market leadership and surpass customer expectations; and
- Continuous debottlenecking and upgrade our processing capacities for increased throughput
- Restart Tuticorin operations.

PORT BUSINESS

Vizag General Cargo Berth (VGCB)

During 1HFY2025, VGCB operations showed a increase of 21% in discharge compared to 1HFY2024.

In 1HFY25, VGCB has set a new record by successfully handling the largest cargo carried by a single vessel to any Indian Port. MV Huahine carried 1,99,990 MT of Manganese ore. This milestone reflects VGCB's ongoing commitment to enhancing its services and infrastructure to meet the demands of international trade.

SUSTAINABILITY

In H1 FY25, we continued to consolidate the transformative ESG agenda for the organization 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.

Our work continues to focus on the three ESG pillars: “Transforming the Planet”, “Transforming communities” & “Transforming the Workplace”.

Vedanta is also actively communicating its ESG (Environmental, Social, and Governance) efforts across various channels. Here's a breakdown of the approach:

- **Events & Forums:** Highlighting Vedanta's commitment to India's energy transition, future critical minerals, renewable energy, and technology. (e.g., Entrepreneur 2024 Keynote Session).
- **Social media:** Sharing updates on sustainability initiatives, social impact projects, and company achievements across platforms like LinkedIn and potentially Instagram and Facebook.
- **Articles/Op-eds/Interviews:** Engaging with media outlets to showcase Vedanta's contributions in areas like women's empowerment, animal welfare, and community development.
Priya Agarwal Hebbar, spokesperson for Vedanta, has been actively using social media to communicate the company's ESG efforts. Here's a breakdown of her recent posts:
- **Focus on Sustainability:** Promoting responsible mining, renewable energy integration, and waste reduction.
- **Social Impact:** Highlighting initiatives like Nand Ghar (community centers), women's empowerment programs, and animal welfare projects.
- **Employee Engagement:** Showcasing teamwork, innovation, and employee achievements.

Additional Communication Highlights:

- **Investor and Analyst Meetings:** Emphasizing Vedanta's commitment to sustainable and profitable operations, decarbonization goals, and superior shareholder returns.
- **AAF Communication :** Promoting initiatives like the VDHM'24 collaboration with Milind Soman (fitness icon), sports sponsorships, and awards received for women and child development.

Pillar 1 Transforming Communities

Aim 1: Keep community welfare at the core of Business Decisions.

Aim 2: Families Skilled (Till date) 2.09 million	Aim 3: Women & Children Benefitted (Till date) 39.7 million
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Education, healthcare, vocational training, procurement from local vendors, skill-development, assistance to micro-entrepreneurs, and sports training are the programmatic interventions to improve the overall well-being of communities who live around our plants. Vedanta's flagship project Nand Ghar continues to ensure that early childhood education and nutrition program improve the well-being of children and young mothers.

- **Community Education and Development:** Programs include early childhood education and nutrition (Nand Ghar), financial literacy workshops for women (BALCO), E-learning workshops for students (VAL-J), and community centre refurbishment (TSPL). These initiatives aim to improve overall well-being and equip residents with practical skills.

- **Training and Skill Development:** Vedanta offers a range of training and vocational programs to equip youth with job-ready skills, innovation, and entrepreneurial abilities. Programs like Saksham (HZL) and Zinc Kaushal (Debari) focus on skill development, leading to increased employment and business creation. Additionally, impactful workshops such as 'Overcoming Unconscious Biases at Work' (TSPL) enhance cognitive balance in decision-making, active listening, and collaborative problem-solving. Vedanta also provides skill development programs, which support Self Help Groups (SHGs) in achieving financial independence (by ESL). These initiatives demonstrate significant positive outcomes in employment and business creation.
- **Supporting Local Livelihoods:** Initiatives like Navi Disha (TSPL) and Sangam (Vedanta Lanjigarh) focus on empowering rural farmers through sustainable agricultural practices, technology, and natural resource management. These programs aim to improve livelihoods and socio-economic development, with Navi Disha alone edifying over 2700 farmers from 26 villages.
- **Sports and Youth Development:** Vedanta supports talented athletes (Vedanta Aluminium and Cairn) to compete at national and international levels. This initiative promotes youth development and community pride.
- **Women Empowerment:** Facor's "Project Jivika" and Cairn's "Drone Didi Initiative" are unique programs that empower rural women with essential skills. Project Jivika focuses on entrepreneurship, collaborating with over 50 Self Help Groups (SHGs) to promote women's participation in the workforce. Similarly, the Drone Didi Initiative equips women with technological skills, further enhancing their role in the workforce.

Pillar 2 Transforming the Planet

Renewable Energy 1 % of the Energy Mix	Water Recycling Rate 29%	HVLT Utilisation 81%
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Aim 4: Net Zero Carbon by 2050 or sooner.

We support the Paris Agreement to limit long-term global average temperature rise to well below 2oC and to pursue efforts to limit warming to 1.5C. Through a well-considered strategy to improve our energy and process efficiency together with a diversification of our energy mix across all operations, we intend to meet our goal of Net Zero Carbon by 2050 or sooner. Further,

- **Green Product Portfolio**
 - HZL-EcoZen - Produced Asia's first low-carbon 'green' zinc, with a carbon footprint of less than one tonne of carbon equivalent per tonne produced. Achieved a total carbon emission avoidance of approximately 400 kg across the customer value chain in galvanizing one tonne of steel.
 - Jharsuguda - Produced and sold over 19,000 MT of Restora and Restora Ultra.
- **Renewables**
 - HZL - Successfully implemented Phase 1 of the 450 MW RE RTC supply from Serentica Renewables.
 - Cairn - Obtained regulatory approval for commissioning of solar PVs across MBA. Initiated a feasibility study for generating power via pressurized oxy combustor technology, utilizing lean gas, CO2-rich gas, and solid waste.
 - VZI- Concluded a 30MW Solar Photovoltaic generation agreement with Enernet Hybrid Two (Pty) Ltd. Targeted commissioning of the power plant for December 2025.
 - FACOR - Installed 14 kV solar panels at Ostapal Mines
 - ESL- Signed a power purchase agreement for a 1.5 MWp rooftop solar project
- **Fleet Electrification**
 - Val-J : Deployed 37 EV forklifts, reducing GHG emissions by 1104 MTCO2e annually

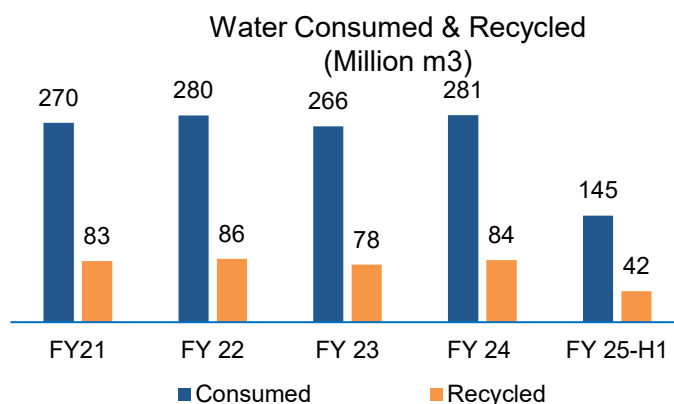
- TSPL - Expanded its electric vehicle fleet to three vehicles.
- Facor: Procured an EV for LMV to support Vedanta's decarbonization goals.
- IOB - Deployed 5 HEMMs (EV) and 3 LMVs (EV) to advance fleet decarbonization.

GHG emissions (million TCO ₂ e)-	H1FY25*	FY24	FY22	FY23	FY21
Scope 1 (direct)	32.4	61.3	57.1	59.5	58.9
Scope 2 (indirect)	2.4	4.6	8.2	3.3	1.3
Total	34.8	65.9	65.4	62.8	60.3

Aim 5: Achieving net water positivity by 2030.

With many of our operations in water-stressed areas, we maintain sustained focus on efficient water use, & giving back fresh water to the society. Not only are we exploring less water-intensive technologies and embedding circularity in our water management, but also ensuring water security in areas where we operate by replenishing water in watersheds and other community sources. Furthermore,

- Cairn India: Successful re-injection of produced water at Raag Oil well pad has saved 2,43,190 barrels of groundwater since line commissioning.
- Jharsuguda - Restoration of 8 water harvesting structures has resulted in a water credit of 32,000+ cubic meters.
- Achieved a record-low specific water consumption for its smelter, 0.11 cubic meters per metric ton
- Hindustan Zinc (HZL) - Utilizes 11 million liters per day (MLD) of treated sewage water for plant operations at the Chanderiya Lead-Zinc Smelter. This initiative reduces freshwater consumption during water scarcity periods by transporting the treated water via special trains.
- ESL- Successfully commissioned a Backwash Water Recovery Project. This project addresses the previous issue of wastewater overflow by installing a high-efficiency pump and durable piping. This innovative approach saves approximately 400 cubic meters (400,000 liters) of water daily, promoting both environmental responsibility and resource conservation.
- TSPL: Recycled 935,559 cubic meters of water.
- Sesa Goa: Achieved a water positivity of 2.6, indicating efficient water management practices.
- VZI Operations (BMM, Gamsberg, Skorpion Zinc):
 - BMM: Re-used 229,026 cubic meters (31%) of water directly in the process and an additional 26,050 cubic meters for irrigation.
 - Gamsberg: Re-used 327,822 cubic meters of water, representing a 54% re-use rate.

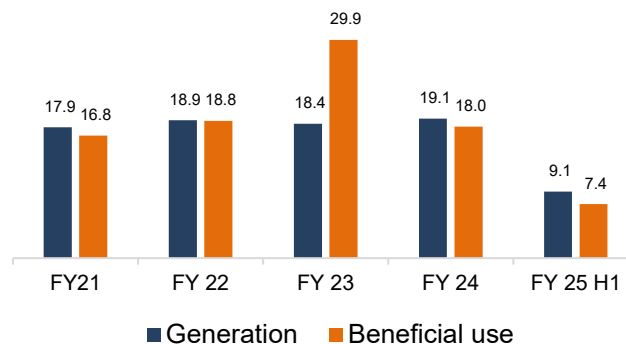


Aim 6: Innovations for greener business model

In response to the urgency highlighted at COP27 and COP15, Vedanta is updating its Biodiversity Framework based on the latest global insights. A recent assessment of 30 sites informs a roadmap for achieving No Net Loss (NNL) at each asset, ensuring sustainable practices and positive contributions to biodiversity. Further,

- **Resource Recovery / Waste Reduction / Recovery:**
 - Cairn India has successfully recovered 29,177 barrels of oil through skimming and sludge processing, contributing to resource conservation.
 - Hindustan Zinc signed a Memorandum of Understanding (MoU) with VEXL Environ Projects Ltd to establish a pilot plant for using waste products like jarosite and jarofix (byproducts of zinc extraction) in new applications. This initiative promotes waste reduction and resource recovery
 - 11+ LMT of fly ash dispatched (from Val-J, TSPL) to cement manufacturing industries

Waste Utilisation (mMT)
High Volume Low Toxicity



- **Biodiversity Conservation:**
 - Planted over 0.41 million trees across Barmer and Surat, restoring 330 hectares of degraded forest land and coastal ecosystems (Cairn).
 - Cairn: Released a coffee table book "Nesting Dunes – Wings of Thar" showcasing the Thar Desert's avifaunal biodiversity and launched a campaign to install bird feeders in the surrounding area.
 - BALCO: Celebrated International Day of Biological Diversity with the Forest Department of Chhattisgarh, raising awareness of local biodiversity.
 - HZL has initiated Phase 2 of its collaboration with TERI to restore 16 hectares of wasteland.
 - Vedanta Zinc International is actively working to acquire biodiversity offset properties to meet environmental obligations.
 - A two-year master's level biodiversity research project is being developed to enhance conservation efforts.
 - Community Initiatives : Conducted plantation drives with community (FACOR, TSPL, Val-J), and installed 35 solar lights in nearby villages to address human-wildlife conflict (IOB).

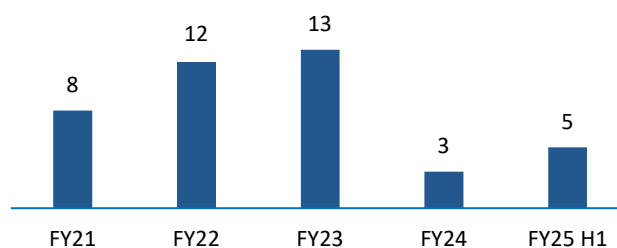
Note - Vedanta Aluminium's PWL Facility @ Lanjigarh experienced a dyke breach on 15 September, 2024, resulting in the release of approximately 4 lakh cubic meters of water. Immediate actions were taken to contain the situation, provide relief to affected communities, and investigate the cause of the incident. Preventive measures, including dyke repairs and expert consultations, are being taken upon to prevent future occurrences. Vedanta remains committed to addressing the impact of this incident and ensuring the safety and well-being of all stakeholders

Pillar 3 – Transforming the Workplace

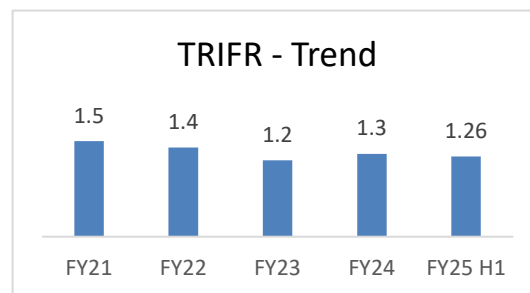
Aim 7: Prioritizing safety and health of all employees

Vedanta's safety focus remains achieving zero fatalities. This half saw continued implementation of various initiatives aimed at improving safety culture and performance. These initiatives included Critical Risk Management, Infrastructure Management, Knowledge Sharing and Senior Management Engagement. Employee participation in safety has increased, with 6,75,000 unsafe acts and conditions reporting in the first half of the year. Importantly, 93% of these observations have been addressed.

Fatality - Trend



There were three regrettable fatalities in Q1 (ESL-1, VZI-1, HZL-1), two involved vehicle-pedestrian interactions and one involved Fall from Height (FOG), and two regrettable fatalities in Q2 (HZL-2 in single incident), two workers fallen into open stope with jumbo. This highlights areas for further focus to prevent these types of incidents. Vedanta has incorporated a risk ownership structure where business CEOs anchor critical risks. Monthly risk committee meetings ensure the effectiveness of controls, best practices are shared, and learnings (internal and external) are implemented. Key programs driving a safe work culture are:



- **Critical Risk Management Program:**
 - Vedanta focused on mitigating critical risks in FY24 by completing design workshops and rollout plans. In Q1 FY25, CRM verification efforts were prioritized using the V-Unified platform. Q2 FY25 focused on CRM capacity building and linking verifications with permits and shift inspections. Four capacity building workshops were conducted, covering over 80 members.
 - In Q2, these efforts resulted in 36,500 verifications and improved CRM health from 97.64% to 98%. Proactive measures addressed issues promptly, with 2,300 work stoppages and 14,000 activities corrected. Over 350 action improvement plans were identified for implementation.
- **Infrastructure and Engineering Control Recommendation:** To proactively address safety concerns across our sites, we've implemented the Infrastructure Matrix for all identified thirteen critical risks. This comprehensive approach has yielded positive results, with compliance to the Infrastructure Matrix rising from 81% to 83% in Q2 FY25 for top 10 Critical Risks.
- **Safety and Health Webinars:** To promote knowledge sharing, seven webinars were held in H1 FY25, focusing on safety and health. Each session was led by a subject matter expert and explored a specific topic: fire load calculation, Slope Stability monitoring and learnings from past incidents, Lung Cancer awareness and Process safety definitions.
- **V-unified (Enablon):** Vedanta's Enablon platform streamlines safety, environmental, health, and sustainability management. Eight modules are active, with mobile apps and on-site training. In Q2, ~7.5K FPO (Fatal potential) observations were recorded, 98% of which have been addressed. This proactive approach has helped to improve safety performance and reduce risks. As part of phase 2, we've selected additional modules to be implemented this year.

Aim 8: Promoting diversity and inclusion at workplace.

Vedanta is committed to the cause of promoting diversity and inclusion within the organization and in larger communities who we partner with. Being an Equal Opportunity Employer, we are taking bolder steps in ensuring that the workforce in our organization is a representation of all sections of the society at large irrespective of the gender, physical abilities, region, religion, sexual orientation, marital status, ethnicity etc.

- **Increased LGBTQ+ representation:** 40+ transgender individuals are now employed across Vedanta, with Facor, HZL, and Aluminium specifically onboarding members of the LGBTQ community. BALCO business has onboarded its first on roll LGBTQ+ employee
- **Pride month initiatives:** Vedanta celebrated Pride Month with the theme "Reflect. Empower. Unite" and launched a financial support policy for education within the LGBTQ+ community.
- **Diversity and inclusion training:** Over 8,000 employees participated in diversity and inclusion workshops and training sessions during H1 FY25.
- **Promoting gender equality:** Vedanta launched India's second all-women underground mine rescue team at RA Mines. Cairn launched Project Bharosa in Barmer, focusing on creating social awareness on 'Gender Equality' and addressing some of the deep-rooted social stigmas.
- **Women Leadership Program:** Initiatives like Tarang (Sesa Goa) helped 30+ women in technical and behavioural leadership which would lead them to create an inclusive work environment.

- **Outside In Perspectives:** This is also part of sensitization and awareness, this year we invited Zainab Patel, Head DEI India ABO, Cummins Inc. to have a perspective on how corporates are evolving to support the community. We also had a panel discussion with the parents of Transgender individuals who are deployed in Vedanta who shared their experience of identity vs reality, acceptance of their children within family and society.
- **Winspire** – With the theme of “Inspire Inclusion” at Vedanta, HZL hosted Winspire an event which brought together 150 women leaders from diverse background, functions and levels. This event included brainstorming sessions with the leadership on what more Vedanta can do to create an inclusive work environment and encouraged women to take resolutions on what they can do to further enable their career growth. We invited Mithali Raj, former women cricketer who has challenged the stereotype and created example for others to follow

Representation	Overall (For FTE)	Technical Function	Enabling Function	Decision Making Bodies
Gender Diversity	17.5%	12.5%	34%	23%

Business Updates

HZL (Hindustan Zinc Limited)

Environment:

- Released the first TNFD report outlining nature-related dependencies, impacts, risks, and opportunities, aiming for a sustainable and nature-positive future with a “no net loss” action plan.
- Partnered with AESir Technologies to develop NiZn batteries for high-end applications like defence, renewable energy, and critical infrastructure.
- Completed an Acid Rock Drainage (ARD) assessment and is developing an action plan to manage this potential environmental impact.

Safety and Health:

- Won awards for Best Risk Practice and Master of Risk in ESG in the large cap category at the India Risk Management Awards by CNBC TV-18.

Community and People:

- Won awards at the People First HR Excellence Awards for Employee Engagement, Technology Deployment in HR, and Talent Acquisition.
- Hindustan Zinc’s all-women mine rescue team secured 2nd place at the XIII International Mine Rescue Competition in Colombia.

Aluminium Business

Environment:

- Vedanta Jharsuguda launched a successful "Zero Scrap" month campaign to reduce waste generation and increase utilization
- VLL - Incorporated biomass briquettes into its fuel mix, reducing carbon footprint by mitigating over 10,000 tons of CO2 emissions annually while lowering fossil fuel dependence.
- BALCO signed a MoU with UltraTech Cement to supply fly ash for low-carbon cement production. This collaboration promotes the circular economy by finding a productive use for industrial waste.
- Vedanta Limited Lanjigarh received the prestigious Platinum Award in category of Outstanding performance in ESG “16th Exceed Environment award and conference 2024”.
- VALJ - Plantation of 82,482 saplings in 33 Ha under Matrivan Project

Safety and Health:

- VALJ received the CII 1st runner-up award in the state level and 2nd runner-up in the regional level for SHE excellence in large-scale manufacturing.
- Received awards for road safety, health practices, and CSR & Sustainability Excellence.
- BALCO conducted a fire safety training exercise for personnel and hosted a safety screening program for personnel from another company.
- BALCO's Project Nayi Kiran received recognition at the ASSOCHAM's 2024 Menstrual Hygiene Management Awards.
- VLL - Successful development of Nursery and distribution of **1200** saplings and sensitization on role of diet for menstrual health through project Pehli Udaan covering **15 villages**

Community and People:

- VLL Second Mini Science centre was inaugurated at Jodabandh with more than 80 models in regional language for the holistic development of students
- VLL conferred with ASSOCHAM Odisha CSR & Sustainability Excellence Awards 2024 in the category of Excellence in Community Sports Empowerment
- VLL received Power Gen Water Award for excellence in water management.
- VALJ honoured with people first Hr Excellence Awards 2024 in two categories leading practices in technology Deployment in HR and Leading practices in Employee engagement.

SESA/IOB

Environment:

- IOK received the FIMI Abheraj Baldota Environment Award.
- IOO and SCG are taking significant steps towards water conservation by installing STPs with capacities of 60 KLD (KiloLiters per Day) and 25 KLD respectively.
- Working through a collaboration with Kuvempu University to conserve the Western Ghats region's unique biodiversity, promote sustainable practices, and encourage research & education on environmental issues.

Safety and Health:

- The Arogya project reached over 6,500 people through mobile health vans at various locations. More than 16 health awareness sessions were conducted, educating villagers on menstrual hygiene, seasonal diseases, skin diseases, TB, HIV/AIDS, and more.
- IOO collaborated with the government to organize seven Mamta Diwas events, supporting pregnant and lactating women, checking up on babies, and providing medicines.

Community and People:

- Annual 'Back to School' program completed at IOK by extending support to 14 schools, covering 3000+ students by providing School welcome kits.
- A new Vedanta Computer Lab was inaugurated at Velguem High School, increasing the total number to 13 labs, helping around 3,926 students annually.

FACOR

Environment:

- FACOR received the FAME award for Environment management in the Diamond category
- FACOR Mining Division has celebrated **Swachhta Hi Seva 2024** event organized by IBM from 14 Sep 2024 to 2nd Oct 2024, Ostapal Chromite Mines conducted a Cyclothon and Walkathon among employees and business partners for awareness related to swachhta, environment, and sustainability given.
- **23,100** saplings were planted and distributed in H1. Massive plantation drives were carried out inside the plant boundary & 1001 saplings were planted in one day.

Safety and Health:

- FACOR has been honored with the prestigious CII SHE Excellence Award for the power plant. Achieved the position of second runner-up in the Large-Scale Manufacturing category.
- Received the British Safety Council International Safety Award.
- Received the BSC International Safety Award in Distinction Category for Power Plant.

Community and People:

- Won the People First HR Excellence Award '24.
- Successful completion of **Public Hearing for Katasahi Mines** and final **EAI Submitted**.

Safety and Health:

- Recognized by the Jharkhand State AIDS Control Society as the second-highest blood donating organization in the state.

Community and People:

- Won a gold award at the 6th Conclave on 5S System of Workplace Management.

TSPL

Environment:

- Ash utilization via rail – Successfully completed fly ash distribution through 12 rakes containing 10,57,409 MT of fly ash. Total Ash utilization is 177 % in Q2
- Planted 7237 Trees Sapling within & outside plant premises.

Safety and Health:

- TSPL in partnership with the Director of Factories, Punjab, and the Punjab Industrial Safety Council, successfully organized a two-day training session focused on industrial safety and occupational health.
- TSPL organized a health training session on Hepatitis and Monkeypox

Community and People:

- Project Navi Disha and Project SEHAT received CSR awards for their contributions to community development and health.

Cairn

Environment:

- Engineering studies are underway for a Carbon Capture and Storage (CCUS) & Enhanced Oil Recovery (EoR) project with the potential to reduce carbon emissions by 550,000 tCO₂e annually.
- Replacing steam-driven pumps with electric ones has reduced fuel gas consumption, with a carbon emission reduction potential of 86,400 tCO₂e annually.
- Increased capacity for gas recovery has the potential to reduce annual GHG emissions by approximately 15,000 tCO₂e (in Raag Oil Field).
- Biodiversity initiative recognized in a FICCI report

Safety and Health:

- Won a gold award from the Royal Society for the Prevention of Accidents (RoPA) for its health and safety performance.

Community and People:

- Received the 28th State-level Bhamashah Awards for Best Education Initiative and multiple awards for HR excellence

RISK AND UNCERTAINTIES SECTION

Vedanta Limited (VEDL) is the world's foremost natural resources conglomerate, with strategic assets in India, South Africa and Namibia. Our extensive operations span zinc-lead, silver, iron ore, steel, copper, aluminium, power, nickel, and oil and gas, with a market-leading position across most. Vedanta operates across the value chain, undertaking exploration, asset development, extraction, processing and value addition. We are leaders in most of the segments we operate in, playing a key role in enabling resource sufficiency at scale. We believe that large-scale environment conservation and community empowerment make our business intrinsically strong and future ready.

Being a global natural resources organization, our businesses are exposed to a variety of risks. It is therefore essential to have in place the necessary systems and a robust governance framework to manage risk, while balancing the risk-reward equation expected by stakeholders. Our risk management framework is designed to help the organization meet its objectives through alignment of operating controls to the mission and vision of the group.

Our risk management framework is designed to be simple, consistent, and clear for managing and reporting risks. We have a multi-layered risk management framework aimed at effectively mitigating the various risks which our businesses are exposed to during their operations as well as in their strategic actions. We identify risks at the individual business level for existing operations as well as for ongoing projects through a consistently applied methodology.

Formal discussion on risk management take place at the business level review meetings periodically. The respective businesses review the risks, changes in the nature and extent of major risks since the last assessment, control measures and further action plans. These meetings are chaired by business executive committee members, senior management and concerned functional heads. Risk officers have been formally nominated at all operating businesses as well as Group level whose role is to create awareness on risks at senior management level and to develop and nurture a risk management culture within the businesses.

Together, our management systems, organizational structures, processes, standards and Code of Conduct and Ethics form the system of internal control that governs how the Group conducts its business and manages the associated risks. The Board has ultimate responsibility for the management of risks and for ensuring the effectiveness of internal control systems. The Board reviews the risk matrix, significant risks and the mitigating actions we put in place.

The Board in turn is assisted by the Group Risk Management Committee (GRMC) in evaluating the design and effectiveness of the risk mitigation plan and control systems. The GRMC meets every quarter and comprises the Executive Director, Group Chief Financial Officer, and Director – Management Assurance. The Group Head – Health, Safety, Environment & Sustainability is invited to attend these meetings. The committee discusses key events impacting the risk profile, principal risks and uncertainties, emerging risks and progress against planned actions.

In addition to the above structure, other key risk governance and oversight committees in the group include the following:

- Committee of Directors (COD) comprising of Executive Directors and an Independent Director supports the Board by considering, reviewing & approving all borrowing & investment related proposals within the overall limits approved by the Board. Invitees to these committee meetings are the CEO, business CFOs, Group Head Treasury and BU Treasury Heads depending upon the agenda matters.
- Sustainability Committee reviews sustainability related risks.

In addition to the above, there are various group level ManCom such as Commercial ManCom, Finance ManCom, Sustainability – HSE / ESG ManCom, CSR ManCom, etc. who work on identifying risks in those specific areas and mitigating them.

Principal risks and uncertainties and detailed information on the impact of these risks as well as the identification and mitigation measures adopted by management have been documented in Vedanta's Annual Report.

Listing of risks:

- Access to capital
- Decarbonization and climate change
- Health, safety and environment
- Managing relationship with stakeholders
- Fluctuation in commodity prices (including oil) and currency exchange rates
- Stability of tailings dams, process water lakes & ponds
- Shortfall in achievement of expansion projects stated objectives
- Challenges in Aluminium & Power business -
- Reputation risk – market / public perception
- Challenges in ensuring envisaged returns in TSPL
- Regulatory and legal risk
- Tax related matters
- Cairn related challenges
- Discovery risk
- Operational Performance & Asset Integrity – Reliability, Productivity, Predictability
- Breaches in IT / cybersecurity
- Talent Management and Industrial Labour Relations
- Resource Nationalism / Transparency (regulatory scanner on resource companies)
- Loss of assets or profit due to natural calamities and manmade disaster
- Disruptions due to innovation / digitization
- KCM related challenges

It may be noted that the order in which these risks appear does not necessarily reflect the likelihood of their occurrence or the relative magnitude of their impact on our business.

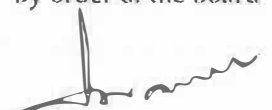
Vedanta Resources Limited
Interim results for the Six months ended 30 September 2024

RESPONSIBILITY STATEMENT

We confirm that to the best of our knowledge:

The condensed set of financial statements has been prepared in accordance with IAS 34, Interim Financial Reporting.

By order of the Board



A R Narayanaswamy

(Director)



Surneet Kaur

(Company Secretary)



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Condensed Consolidated Financial Statements for the Six months ended 30 September 2024

CONDENSED CONSOLIDATED INCOME STATEMENT

(US\$ million)							
Six months ended 30 September 2024 (Unaudited)				Six months ended 30 September 2023 (Unaudited)			
Note	Before Special items	Special items (Note 5)	Total	Before Special items	Special items (Note 5)	Total	
Revenue	8,668	-	8,668	8,722	-	8,722	
Cost of sales	(6,427)	(27)	(6,454)	(6,529)	-	(6,529)	
Gross profit	2,241	(27)	2,214	2,193	-	2,193	
Other operating income	195	-	195	109	-	109	
Distribution costs	(181)	-	(181)	(234)	-	(234)	
Administrative expenses	(323)	-	(323)	(288)	-	(288)	
Net impairment reversal	-	279	279	-	151	151	
Operating profit	1,932	252	2,184	1,780	151	1,931	
Investment revenue	131	874	1,005	92	-	92	
Finance costs	(1,063)	-	(1,063)	(870)	-	(870)	
Other gains and (losses) [net]	6	5	21	(31)	-	(31)	
Profit before taxation (a)	1,005	1,142	2,147	971	151	1,122	
Net tax (expense)/credit (b)	7	(315)	(412)	(441)	(824)	(1,265)	
Profit/ (Loss) for the period (a+b)	690	1,045	1,735	530	(673)	(143)	
Attributable to:							
Equity holders of the parent	18	977	995	149	(429)	(280)	
Non-controlling interests	672	68	740	381	(244)	137	
Profit/ (Loss) for the period	690	1,045	1,735	530	(673)	(143)	

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(US\$ million)

	Six months ended 30 September 2024 (Unaudited)	Six months ended 30 September 2023 (Unaudited)
Profit/ (Loss) for the period	1,735	(143)
Items that will not be reclassified subsequently to income statement:		
Remeasurement of net defined benefit plans	(4)	(5)
Tax effects on net defined benefit plans	1	2
Gain on fair value of financial asset equity investment	1	1
Total (a)	(2)	(2)
Items that may be reclassified subsequently to income statement:		
Exchange differences arising on translation of foreign operations	37	(58)
Loss on cash flow hedges	(16)	(6)
Tax effects arising on cash flow hedges	4	2
Loss on cash flow hedges recycled to income statement	(4)	(14)
Tax effects arising on cash flow hedges recycled to income statement	1	3
Gain on fair value of financial asset debt investment	2	-
Total (b)	24	(73)
Other comprehensive income/ (loss) for the period (a+b)	22	(75)
Total comprehensive income/ (loss) for the period	1,757	(218)
Attributable to:		
Equity holders of the parent	1005	(314)
Non-controlling interests	752	96
Total comprehensive income/ (loss) for the period	1,757	(218)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(US\$ million)

	As at 30 September 2024 (Unaudited)	As at 31 March 2024 (Audited)
Assets		
Non-current assets		
Intangible assets	72	84
Property, plant and equipment	16,294	13,452
Exploration and evaluation assets	312	282
Financial asset investments	167	118
Non-current tax assets	206	458
Other non-current assets	925	1,529
Deferred tax assets	445	422
	18,421	16,345
Current assets		
Inventories	1,820	1,560
Trade and other receivables	2,367	2,438
Financial instruments (derivatives)	64	20
Current tax assets	54	8
Short-term investments	2,520	1,575
Cash and cash equivalents	1,145	384
	7,970	5,985
Total assets	26,391	22,330
Liabilities		
Current liabilities		
Borrowings	4,394	3,378
Operational buyer's credit/supplier's credit	1,941	1,792
Trade and other payables	5,256	4,881
Financial instruments (derivatives)	65	17
Retirement benefits	11	6
Provisions	41	35
Current tax liabilities	155	299
	11,863	10,408
Net current liabilities	(3,893)	(4,423)
Non-current liabilities		
Borrowings	10,549	10,952
Trade and other payables	239	240
Financial instruments (derivatives)	7	-
Deferred tax liabilities	1,401	1,206
Retirement benefits	35	28
Provisions	390	344
Non-equity non-controlling interests	12	-
	12,633	12,770
Total liabilities	24,496	23,178
Net assets / (liabilities)	1,895	(848)
Equity		
Share capital	29	29
Hedging reserve	(100)	(94)
Other reserves	(1,213)	(792)
Retained earnings	407	(2,571)
Equity attributable to equity holders of the parent	(877)	(3,428)
Non-controlling interests	2,772	2,580
Total equity	1,895	(848)

Vedanta Resources Limited
Interim results for the Six months ended 30 September 2024

Interim Condensed Financial Statements of Vedanta Resources Limited with registration number 4740415 were approved by the Board of Directors on 30 December 2024 and signed on their behalf by

See accompanying notes to the condensed consolidated financial statements



A R Narayanaswamy

(Director)



Surneet Kaur

(Company Secretary)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

		(US\$ million)	
	Note	Six months ended 30 September 2024 (Unaudited)	Six months ended 30 September 2023 (Unaudited)
Cash flows from operating activities			
Profit before taxation		2,147	1,122
Adjustments for:			
Depreciation and amortisation		657	616
Investment revenues		(1,005)	(92)
Finance costs		1,063	870
Other (gains) and losses (net)	6	(21)	31
(Profit)/ Loss on disposal of property, plant and equipment		(39)	2
Exploration costs written-off		15	66
Share-based payment charge		6	7
Expected credit loss		17	27
Liabilities written back		(38)	(10)
Impairment reversal (net)	5	(279)	(151)
Other non-cash items	5	27	-
Operating cash flows before movements in working capital		2,550	2,488
Decrease/ (Increase) in inventories		(173)	89
Decrease/ (Increase) in receivables		(709)	498
(Decrease)/ Increase in payables		414	(1,064)
Cash generated from operations		2,082	2,011
Dividend received		1	3
Interest received		111	77
Interest paid		(957)	(902)
Income taxes paid (net of refunds)		(131)	(86)
Net cash inflow from operating activities		1,106	1,103
Cash flows from investing activities			
Purchases of property, plant and equipment, intangibles, exploration and evaluation assets		(904)	(946)
Proceeds on disposal of property, plant and equipment, intangibles, exploration and evaluation assets		9	6
Proceeds from redemption of short-term investments	9	9,664	4,523
Purchases of short-term investments	9	(10,599)	(4,473)
Purchase of long-term investments		(62)	(23)
Proceeds from sale of stake in subsidiary		866	700
Payment made to site restoration fund		(5)	-
Increase in cash and cash equivalents on regaining control of KCM	3b(i)	235	-
Net cash used in investing activities		(796)	(213)
Cash flows from financing activities			
Issue of additional shares		1,007	-
Dividends paid to non-controlling interests of subsidiaries		(1,206)	(693)
Proceeds from working capital loan (net)	9	(3)	4
Proceeds from other short-term borrowings	9	939	1,222
Repayment of other short-term borrowings	9	(580)	(1,761)
Proceeds from long-term borrowings	9	2,305	2,843
Repayment of long-term borrowings	9	(2,068)	(2,908)
Payment of lease liabilities	9	(21)	(11)
Net cash inflow/(used) in financing activities		373	(1,304)
Net decrease in cash and cash equivalents		683	(414)
Effect of foreign exchange rate changes		4	(9)
Cash and cash equivalents at beginning of the period		365	858
Cash and cash equivalents at end of the period		1,052	435

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Six months ended 30 September 2024 (Unaudited)

(US\$ million)

	Attributable to equity holders of the parent						Total equity
	Share capital	Hedging Reserve ²	Other reserves ¹	Retained earnings	Total	Non-controlling Interests	
Balance as at 1 April 2024	29	(94)	(792)	(2,571)	(3,428)	2,580	(848)
Profit for the period	-	-	-	995	995	740	1,735
Other comprehensive income/ (loss) for the period	-	(6)	16	-	10	12	22
Total comprehensive income/ (loss) for the period	-	(6)	16	995	1,005	752	1,757
Dividends paid/ payable	-	-	-	-	-	(1,206)	(1,206)
Exercise of stock options of subsidiary	-	-	-	4	4	1	5
Acquisition/ change / sale of stake in subsidiary ^{4,5}	-	-	10	492	502	368	870
Issuance of additional shares by subsidiary ⁴	-	-	-	1,005	1,005	-	1,005
Derecognition of put option liability (refer note 7(c))	-	-	-	18	18	14	32
Derecognition of non-controlling interest	-	-	-	17	17	(17)	-
Recognition of minority of KCM	-	-	-	-	-	277	277
HZL other reserve to retained earnings ⁶	-	-	(447)	447	-	-	-
Other changes in non-controlling interests ³	-	-	-	-	-	3	3
Balance as at 30 September 2024	29	(100)	(1,213)	407	(877)	2,772	1,895

1. Other reserves comprise currency translation reserve, merger reserve, investment revaluation reserve, debenture redemption reserve, capital redemption reserve and the general reserves established in the statutory accounts of the Group's subsidiaries.
2. Hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which is recognised in OCI and later reclassified to statement of profit and loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.
3. Includes share-based payment charge by subsidiaries.
4. During the six months ended 30 September 2024, VRL's subsidiary Finsider International Company Limited ("FICL") sold its shareholding from 163,464,540 to Nil equity shares in Vedanta Limited ("VEDL") and additionally, VEDL, issued 19,31,81,818 additional equity shares through Qualified Institutions Placement ("QIP") raising ~ US\$ 1,007 million (₹ 8,500 crore). Consequently, VRL overall stake reduced from 61.95% to 56.47% of the total paid-up share capital of VEDL.
5. During the six months ended 30 September 2024, VEDL has reduced its shareholding in its subsidiary, Hindustan Zinc Limited ("HZL") from 2,74,31,54,310 shares to 2,67,95,48,419 equity shares by way of an offer for sale for a net consideration of US\$ 375 million (₹ 3,134 Crore), resulting in net gain of US\$ 252 million (₹ 2,106 Crore). Consequent to the aforesaid sale, the VEDL's overall stake has decreased from 64.92% to 63.42% of the total paid-up share capital of HZL.
6. During the six months ended 30 September 2024, the Hon'ble NCLT vide its order dated 16 July 2024 ("the Order") has sanctioned the Scheme of Arrangement ("the Scheme") at Hindustan Zinc Limited ("HZL") which envisages transfer of the entire balance of US\$ 1,242 million standing to the credit of the Other Reserves ("OR") of HZL as at 31 March 2024 to Retained Earnings ("RE"). The certified true copy of the said Order was filed with the Registrar of Companies on 22 July 2024, and accordingly the Scheme has come into effect. HZL will maintain the minimum net worth as per the undertaking given to NCLT and as mentioned in the Order.

For the year ended 31 March 2024

(US\$ million)

	Attributable to equity holders of the parent						Non-controlling Interests	Total equity
	Share capital	Hedging reserve ²	Other reserves ¹	Retained earnings	Total			
At 01 April 2023	29	(90)	(750)	(2,537)	(3,348)		2,476	(872)
(Loss)/ Profit for the year	-	-	-	(400)	(400)		499	99
Other comprehensive (loss)/ income for the year	-	(4)	(42)	-	(46)		(40)	(86)
Total comprehensive income/ (loss) for the year	-	(4)	(42)	(400)	(446)		459	13
Dividends paid/ payable	-	-	-	-	-		(676)	(676)
Exercise of stock options of subsidiary	-	-	-	10	10		2	12
Acquisition/ sale of stake in Subsidiary ⁴	-	-	-	376	376		325	701
Change in fair value of put option liability/ conversion option asset/ derecognition of non-controlling interest	-	-	-	(0)	(0)		(4)	(4)
Other changes in non-controlling interests ³	-	-	-	(20)	(20)		(2)	(22)
At 31 March 2024	29	(94)	(792)	(2,571)	(3,428)		2,580	(848)

1. Other reserves comprise the currency translation reserve, merger reserve, investment revaluation reserve, debenture redemption reserve, capital redemption reserve and the general reserves established in the statutory accounts of the Group's subsidiaries.
2. Hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which is recognised in OCI and later reclassified to statement of profit and loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.
3. Includes purchase of shares by Vedanta Limited through ESOP trust for its stock options and share-based payment charge by subsidiaries.
4. During the year ended 31 March 2024, VRL, through its subsidiary Vedanta Netherlands Investment B.V. (VNIB), Twinstar Holdings Limited (THL) and Finsider International Company Limited (FICL) reduced its shareholding by 229,018,600 equity shares of VEDL thereby decreasing its overall stake from 68.10% to 61.95% of the total paid-up share capital of VEDL.

For the Six months ended 30 September 2023 (Unaudited)

(US\$ million)

	Attributable to equity holders of the parent						Non-controlling Interests	Total equity
	Share capital	Hedging Reserve ²	Other reserves ¹	Retained earnings	Total			
Balance as at 1 April 2023	29	(90)	(750)	(2,537)	(3,348)		2,476	(872)
Loss for the period	-	-	-	(280)	(280)		137	(143)
Other comprehensive loss for the period	-	(8)	(26)	-	(34)		(41)	(75)
Total comprehensive loss for the period	-	(8)	(26)	(280)	(314)		96	(218)
Dividend paid	-	-	-	-	-		(391)	(391)
Sale of stake in subsidiary ³	-	-	-	319	319		184	503
Change in fair value of put option liability/conversion option asset/derecognition of non-controlling interest	-	-	-	6	6		(7)	(1)
Exercise of stock options of subsidiary	-	-	-	-	-		2	2
Balance as at 30 September 2023	29	(98)	(776)	(2,492)	(3,337)		2,360	(977)

1. Other reserves comprise currency translation reserve, merger reserve, investment revaluation reserve, debenture redemption reserve, capital redemption reserve and the general reserves established in the statutory accounts of the Group's subsidiaries.
2. Hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of hedging instruments entered into for cash flow hedges, which is recognised in OCI and later reclassified to statement of profit and loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.
3. During the six months ended 30 September 2023, VRL, through its subsidiary Vedanta Netherlands Investment B.V. (VNIB) and Twinstar Holdings Limited (TSH) reduced its shareholding from 5,014,714 to 1,514,714 and from 1,724,805,858 to 1,564,805,858 equity shares of Vedanta Limited ("VEDL") respectively thereby decreasing its overall stake from 68.10% to 63.71% of the total paid-up share capital of VEDL.

Group Overview

Vedanta Resources Limited (“Vedanta” or “VRL” or “Company”), a company limited by shares and incorporated and domiciled in the United Kingdom. Registered address of the Company is C/O TMF Group 13th Floor, One Angel Court, London, United Kingdom, EC2R 7HJ. Vedanta and its consolidated subsidiaries (collectively, the “Group”) is a diversified natural resource group engaged in exploring, extracting and processing minerals and oil and gas. The Group engages in the exploration, production and sale of zinc, lead, silver, copper, aluminium, iron ore and oil and gas and has a presence across India, South Africa, Zambia, Namibia, Ireland, Australia, Liberia and UAE. The Group is also in the business of commercial power generation, steel manufacturing and port operations in India and manufacturing of glass substrate in South Korea and Taiwan.

For further details on the Group’s various businesses, refer to the Group’s annual financial statements for the year ended 31 March 2024.

NOTES TO THE FINANCIAL STATEMENTS

1. Basis of preparation and basis of measurement of financial statements

a) Basis of preparation

The Group’s interim condensed consolidated financial statements for the six months ended 30 September 2024 have been prepared in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting* as issued by International Accounting Standards Board (IASB) and adopted by UK Endorsement Board. The financial statements for the year ended 31 March 2025 will be prepared in accordance with UK adopted International Financial Reporting Standards (IFRS).

The interim condensed consolidated financial statements do not include all of the information and disclosures required in the annual financial statements and should be read in conjunction with the Group’s annual financial statements for the year ended 31 March 2024, which were prepared in accordance with UK adopted IFRS in conformity with the requirements of Companies Act 2006. Certain financial information that is included in the audited annual financial statements but is not required for interim-reporting purposes has been condensed or omitted. The interim condensed consolidated financial statements do not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The financial information for the full year is based on the statutory accounts for the financial year ended 31 March 2024. A copy of the statutory accounts for that year has been delivered to the Registrar of Companies. The auditor’s report on those accounts was unqualified, did not include a reference to any matters to which the auditor drew attention by way of an emphasis of matter and did not contain a statement under sections 498 (2) or (3) of the Companies Act 2006.

The Group’s interim condensed consolidated financial statements have been prepared using the going concern basis of accounting. The Group accounts consolidate the assets, liabilities and results of Vedanta Resources Limited and of its subsidiaries companies.

These financial statements are approved for issue by the Board of Directors on 30 December 2024.

These financial statements are presented in US dollars being the functional currency of the Company and all values are rounded off to the nearest million except when indicated otherwise. Amounts less than US\$ 0.5 million have been presented as “0”.

b) Basis of Measurement

The Group's interim condensed consolidated financial statements have been prepared using an accrual method of accounting and on historical cost convention except for certain financial assets and liabilities which are measured at fair value as explained in the accounting policies below.

c) Going concern

The Group has prepared the consolidated financial statements on a going concern basis. The Directors have considered a number of factors in concluding on their going concern assessment.

The Group monitors and manages its funding position and liquidity requirements throughout the year and routinely forecasts its future cash flows and financial position. The key assumptions for these forecasts include production profiles, commodity prices and financing activities.

Prior to current period, the last going concern assessment carried out for the year ended 31 March 2024 was approved by the Board of Directors in May 2024. The Directors were confident that the Group will be able to operate within the levels of its current facilities for the foreseeable future, that the Group will be able to roll-over or obtain external financing as required and that prices will remain within their expected range.

While the mitigating actions as highlighted in the year ended 31 March 2024 financial statements remain available to the Group, following recent significant developments have had a positive bearing on the liquidity and Company's ability to continue as a going concern;

- a. VRL successfully refinanced \$1.2 billion in bonds, raising US \$ 900 million in September 2024 and additional US \$300 million in October 2024 to prepay its existing bond.
- b. In November 2024, VRL secured an additional US\$ 800 million for refinancing from global investors through a new bond issuance to prepay its existing bond.

The Directors consider that the expected operating cash flows of the Group combined with the current finance facilities which are in place give them confidence that the Group has adequate resources to continue as a going concern.

The Directors have considered the Group's ability to continue as a going concern in the period to 31 March 2026 ("the going concern period") under both a base case and a downside case.

The downside case assumes, amongst other sensitivities, delayed ramp-up and re-opening of projects, deferment of additional capital expenditure and a conservative assumption of uncommitted refinancing.

• Covenant Compliance

The Group's financing facilities, including bank loans and bonds, contain covenants requiring the Group to maintain specified financial ratios. The Group has complied with all the covenant requirements till 30 September 2024.

The Directors of the Group are confident that the Group will be able to comply requisite covenants for the going concern period and will be able to execute mitigating actions as mentioned below, to ensure that the Group avoids, or secures waivers or relaxations for future period breaches, if any, of its covenants during the going concern period.

Mitigating actions

The mitigating options available to the Group and Company to address the uncertainties in relation to going concern include:

- Execution of an off-take agreement covering certain future production and amounting potentially to c. US\$ 1 billion. The Group is currently negotiating with a number of interested bidders for an off-take agreement, under which the Group would receive an advance payment in return for supply of certain future production. However, no agreement has been concluded and there is a therefore uncertainty as to the Group's ability to access these funds.
- Extension of working capital facilities and rollover of commercial papers: As at 30 September 2024, the Group had unutilised working capital facilities amounting to c. US\$ 0.8 billion and commercial papers in issue amounting to c. US\$ 0.4 billion. These facilities are not committed for the full duration of the going concern period to March 2026, but rather must be extended or rolled over. There is therefore a risk that, in adverse market conditions, the Group would not be able to extend or roll over these facilities. However, the Directors assess that the Group has a strong record of extending and rolling over these short-term facilities and has historically had significantly higher levels of commercial papers in issue.
- Access to buyer's/supplier's credit and customer advances: As at 30 September 2024, the Group had c. US\$ 1.9 billion of supplier's credit and c. US\$ 0.8 billion of advances from customers. These financing arrangements are integral to the business of certain Group divisions but are not committed for the full duration of the going concern period. There is therefore a risk that the Group will not be able to access these financing arrangements in the future. Nevertheless, the Directors note that the Group has in the past consistently obtained supplier credit and customer advances at current levels.

Conclusion

Notwithstanding the factors described above, the Directors have confidence in Group's ability to execute sufficient mitigating actions. Based on these considerations, the Directors have a reasonable expectation that the Group and the Company will meet its commitments as they fall due over the going concern period. Accordingly, the Directors continue to adopt the going concern basis in preparing the Group's consolidated financial statements and Company's standalone financial statements.

2(a) Accounting policies

The interim condensed consolidated financial statements are prepared using the same accounting policies and methods of computation as applied in the audited 31 March 2024 consolidated financial statements of the Group except for those mentioned in 2(b) below.

2(b) Application of new and revised standards

The Group has adopted, with effect from 01 April 2024, the following new and revised standards and interpretations. Their adoption has not had any significant impact on the amounts reported in the condensed consolidated interim financial statements.

1. Lease Liability in a Sale and Leaseback – Amendments to IFRS 16
2. Classification of Liabilities as Current or Non-current - Amendments to IAS 1
3. Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

The new and amended standards that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below:

New pronouncement	Effective date
The Effects of Changes in Foreign Exchange Rates - Amendments to IAS 21	01 January 2025
Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	01 January 2026
IFRS 18 – Presentation and Disclosures in Financial Statements	01 January 2027
IFRS 19 - Subsidiaries without public accountability: disclosures	01 January 2027

The amendments are not expected to have a material impact on the Group. The Group has not early adopted any amendments which has been notified but is not yet effective.

2(c) Foreign Exchange Rate

The following exchange rate to US dollar (\$) has been applied:

	Average rate for six months ended 30 September 2024	Average rate for six months ended 30 September 2023	As at 30 September 2024	As at 31 March 2024
Indian rupee	83.59	82.42	83.79	83.34

3(a) Significant Estimates:

(i) Recoverability of deferred tax and other income tax assets

The Group has carried forward tax losses and unabsorbed depreciation that are available for offset against future taxable profit. Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the unused tax losses or tax credits can be utilized. This involves an assessment of when those assets are likely to reverse, and a judgement as to whether or not there will be sufficient taxable profits available to offset the assets. This requires assumptions regarding future profitability, which is inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognised in respect of deferred tax assets and consequential impact in the consolidated income statement.

The Group has tax receivables on account of refund arising on account of past amalgamation and relating to various tax disputes. The recoverability of these receivables involves application of judgement as to the ultimate outcome of the tax assessment and litigations. This pertains to the application of the legislation, which in certain cases, is based upon management's interpretation of country specific tax law, in particular India, and the likelihood of settlement. Management uses in-house and external legal professionals to make informed decisions.

(ii) Copper operations in Tamil Nadu, India

Existing Plant:

Tamil Nadu Pollution Control Board ("TNPCB") had issued a closure order of the Tuticorin Copper smelter, against which the Group had filed an appeal with the National Green Tribunal ("NGT"). NGT had, on 08 August 2013, ruled that the Copper smelter could continue its operations subject to implementation of recommendations of the Expert Committee appointed by the NGT. The TNPCB has filed an appeal against the order of the NGT before the Supreme Court of India.

In the meanwhile, the application for renewal of Consent to Operate ("CTO") for existing copper smelter was rejected by TNPCB in April 2018. The Group has filed an appeal before the TNPCB Appellate Authority challenging the Rejection Order. During the pendency of the appeal, the TNPCB vide its order dated 23 May 2018 ordered closure of existing copper smelter plant with immediate effect. Further, the Government of Tamil Nadu issued orders on the same date with a direction to seal the existing copper smelter plant permanently. The Group believes these actions were not taken in accordance with the procedure prescribed under applicable laws. Subsequently, the Directorate of Industrial Safety and Health passed orders dated 30 May 2018, directing the immediate suspension and revocation of the Factory License and the Registration Certificate for the existing smelter plant.

The Group appealed this before the NGT. NGT vide its order on 15 December 2018 has set aside the impugned orders and directed the TNPCB to pass fresh orders for renewal of consent and authorization to handle hazardous substances, subject to appropriate conditions for protection of environment in accordance with law.

The State of Tamil Nadu and TNPCB approached Supreme Court in Civil Appeals on 02 January 2019 challenging the judgement of NGT dated 15 December 2018 and the previously passed judgement of NGT dated 08 August 2013. The Supreme Court vide its judgement dated 18 February 2019 set aside the judgements of NGT dated 15 December 2018 and 08 August 2013 solely on the basis of maintainability and directed the Group to file an appeal in High court.

The Group has filed a writ petition before the Madras High Court challenging the various orders passed against it in FY 2018 and FY 2013. On 18 August 2020, the Madras High Court delivered the judgement wherein it dismissed all the Writ Petitions filed by the Group. Thereafter, the Group has approached the Supreme Court and challenged the said High Court order by way of a Special Leave Petition ("SLP").

The Hon'ble Supreme Court, after hearing the parties to the proceedings had dismissed the SLP filed by the Company vide judgment dated 29 February 2024.

On 01 April 2024, The Group preferred a review petition before the Hon'ble Supreme Court. In the said review petition, the Company has also moved an application for open Court hearing of the review petition.

Expansion Plant:

Separately, the Group has filed a fresh application for renewal of the Environmental Clearance for the proposed Copper Smelter Plant 2 ("Expansion Project") dated 12 March 2018 before the Expert Appraisal Committee of the Ministry of Environment, Forests and Climate Change ("the MoEFCC") wherein a sub-committee was directed to visit the Expansion Project site prior to prescribing the Terms of Reference.

In the meantime, the Madurai Bench of the Madras High Court in a Public Interest Litigation held vide its order dated 23 May 2018 that the application for renewal of the Environmental Clearance for the Expansion Project shall be processed after a mandatory public hearing and in the interim, ordered the Group to cease construction and all other activities on site for the proposed Expansion Project with immediate effect. The MoEFCC has delisted the Expansion Project since the matter is sub-judice. Separately, SIPCOT vide its letter dated 29 May 2018, cancelled 342.22 acres of the land allotted for the proposed Expansion Project. Further, the TNPCB issued orders on 07 June 2018 directing the withdrawal of the Consent to Establish ("CTE") which was valid till 31 March 2023.

The Group has approached Madras High Court by way of writ petition challenging the cancellation of lease deeds by SIPCOT pursuant to which an interim stay had been granted. The

Company had also appealed this action before the TNPCB Appellate Authority. The matter was heard on 01 March 2023 and was adjourned until further notice.

As per the Group's assessment, they are in compliance with the applicable regulations and hence preferred a review petition before the Hon'ble Supreme Court.

Considering prolonged time of plant closure and uncertainties around opening of plant due to rejection of SLP by Hon'ble Supreme Court, the Group has carried out an impairment assessment, basis above development, on Tuticorin plant assets having carrying value of US\$ 187 million (including PPE, CWIP and inventory) using Depreciated Replacement Cost / Scrap Value method for PPE and CWIP, and Net recoverable method for inventory. Accordingly, impairment on assets of US\$ 81 million (including Goodwill of US\$ 12 million, PPE of US\$ 45 million, CWIP of US\$ 16 million and loss on inventory of US\$ 8 million) has been recorded during the year ended 31 March 2024.

Property, plant and equipment of US\$ 51 million (31 March 2024: US\$ 51 million) and inventories of US\$ 29 million (31 March 2024: US\$ 26 million), pertaining to existing and expansion plant, could not be physically verified, anytime during the year, as the access to the plant is presently restricted. However, any difference between book and physical quantities is unlikely to be material.

(iii) ESL- Consent to operate ("CTO")

ESL Steel Limited ("ESL"), had filed application for renewal of CTO on 24 August 2017 for the period of five years which was denied by Jharkhand State Pollution Control Board ("JSPCB") on 23 August 2018, as JSPCB awaited response from The MoEFCC over a 2012 show-cause notice. After a personal hearing towards the show cause notice, The MoEFCC revoked the Environment Clearance ("EC") on 20 September 2018. The High Court of Jharkhand granted stay against both revocation orders and allowed the continuous running of the plant operations under regulatory supervision of the JSPCB. Jharkhand High Court, on 16 September 2020, passed an order vacating the interim stay in place beyond 23 September 2020, while listed the matter for final hearing. ESL urgently filed a petition in the Hon'ble Supreme Court, and on 22 September 2020, ESL was granted permission to run the plant till further orders.

The Forest Advisory Committee ("FAC") of the MoEFCC granted the Stage 1 clearance and the MoEFCC approved the related Terms of Reference ("TOR") on 25 August 2020. ESL presented its proposal before the Expert Appraisal Committee ("EAC") after completing the public consultation process and the same has been recommended for grant of EC subject to Forest Clearance by the EAC in its 41st meeting dated 29 and 30 July 2021. Vide letter dated 25 August 2021, the MoEFCC rejected the EC "as of now" due to stay granted by Madras High Court vide order dated 15 July 2021 in a Public Interest Litigation filed against the Standard Operating Procedure which was issued by the MoEFCC for regularization of violation case on 07 July 2021.

The Hon'ble Supreme Court vide order dated 09 December 2021 decided the matter by directing The MoEFCC to process the EC application of ESL as per the applicable law within a period of three months. The MoEFCC vide its letter dated 02 February 2022 has deferred the grant of EC till Forest Clearance ("FC") Stage-II is granted to ESL. ESL has submitted its reply against the MoEFCC letter vide letter dated 11 February 2022 for reconsidering the decision of linking EC with FC as the grant of FC Stage - II is not a condition precedent for grant of EC. As per Stage 1 clearance, the Group is required to provide non-forest land in addition to the afforestation cost. The Group, based on the report of an Environment Impact Assessment consultant, had recognised a provision of \$ 26 million as part of special item during the year ended 31 March 2021 with respect to the costs to be incurred by it for obtaining EC and additional \$ 1 million has been provided against final order relating to wildlife conservation plan received during the year ended 31 March 2022. Management believes no further provision is required.

(iv) Climate Change

The Group is committed to achieving net zero emissions for Scope 1 and Scope 2 by 2050, as outlined in its ESG strategy, which incorporates climate risk assessment and identification of related opportunities. Climate change may pose various risks and opportunities to the Group in the medium to long term, including those affecting product demand, the transition to a low-carbon economy, supply chain disruptions, asset vulnerability to extreme weather events, and evolving regulatory frameworks.

Key accounting measurements and disclosures impacted by our climate commitments, and broader climate change risks, relate to areas of the financial statements prepared under the historical cost convention. These are subject to estimation uncertainties, especially in the medium to long term. Climate change considerations particularly affect assets and liabilities that rely on future cash flow projections. The primary financial impacts addressed include:

- (i) Inclusion of Capex in Cash Flow Projections: Evaluating capital expenditures related to decarbonization and mitigation measures.
- (ii) Recoverable Amounts of Assets: Assessing the value and recoverability of existing assets, factoring in climate risks.
- (iii) Useful Life Estimates of Property, Plant, and Equipment (PPE): Reviewing and adjusting estimates of asset life, given the potential impact of physical climate risks.

Climate Strategy: Mitigation and Adaptation

The Group's strategy focuses on both mitigation and adaptation to climate risks. Key efforts to reduce the carbon footprint include the following four levers:

Renewable Energy: Transitioning to clean energy sources such as solar, wind, and other renewables. This involves investments in renewable power projects and Power Delivery Agreements (PDAs) to decrease reliance on fossil fuels.

Fuel Switch: Shifting from high-carbon fuels (like coal) to lower-carbon alternatives, such as biofuels, where feasible. This approach aims to reduce emissions while maintaining operational efficiency.

Energy Efficiency: Implementing measures to optimize energy consumption, including upgrading equipment, refining processes, and promoting energy-saving practices across operations. These efforts help lower the carbon intensity of operations.

Offsets: Utilizing carbon offsets to neutralize unavoidable emissions by investing in projects that remove or reduce greenhouse gases from the atmosphere, such as afforestation, reforestation, and other carbon sequestration initiatives.

3(b) Business combinations, acquisitions and disposals

(i) Konkola Copper Mines Plc ("KCM"):

VRL through its wholly owned subsidiary, Vedanta Resources Holdings Limited ("VRHL") holds 79.4% equity stake in KCM. ZCCM Investments Holdings Plc ("ZCCM-IH"), which owns 20.6% of the shares in KCM had obtained an ex parte order from the High Court of Zambia appointing a provisional liquidator ("PL") for KCM in May 2019. As all the significant decision-making powers, including carrying on the business of KCM and taking control over all the assets of KCM, rests with the PL, the appointment of PL had caused loss of its control over KCM. Accordingly,

the Group deconsolidated KCM with effect from 21 May 2019. Various legal proceedings were initiated and carried out during 2019–2023.

On 06 November 2023, the VRL, ZCCM-IH and KCM signed a new shareholder agreement for KCM as well as an Implementation Agreement that sets out the terms for VRHL's re-entry and new investment into KCM. Post the completion of scheme of arrangement, the provisional liquidator was removed in late July 2024 and the Board of KCM was re-instated on 31 July 2024. This re-instatement of control of VRHL over KCM, meets the definition of business combination as per the principles of IFRS 3. Hence, shall be accounted using the acquisition method in consolidated financial Statements of VRL in accordance with IFRS 3.

a) Purchase consideration – US\$ Nil

b) The assets and liabilities recognised (other than deferred tax liability) on the date of acquisition:

(US\$ millions)

Particulars	Amount
Property, plant and equipment	2,179
Other non-current assets	46
Inventories	111
Trade and other receivables	201
Cash and cash equivalents	235
Deferred tax assets	330
Total assets (A)	3,102
Borrowings	634
Provisions	32
Trade and other payables	752
Current tax liabilities	0
Total liabilities (B)	1,418
Net assets acquired (C) = (A) - (B)	1,684

c) Calculation of Bargain purchase gain

(US\$ millions)

Particulars	Amount
Fair value of existing stake	1,040
Fair value of NCI	277
Deferred tax liability acquired	339
Non-equity non-controlling interests	12
Less: Fair value of net assets acquired (other than deferred tax asset)	(1,684)
Bargain purchase gain	16

d) Revenue and loss after tax from the date of acquisition till reporting date

(US\$ millions)	
Particulars	Amount
Revenue	1
Loss after tax	34

e) Revenue and Profit after tax from the date of beginning of financial year till reporting date

(US\$ millions)	
Particulars	Amount
Revenue	16
Loss after tax	241

Gain arising on re-measurement of existing equity stake in KCM amounting to US\$ 774 million is recognized in Investment Revenue- Special items.

The net assets and fair value of existing equity stake recognised in these interim financial statements are based on a provisional assessment of their fair value while the Group sought an independent valuation for the mining rights and other assets owned by KCM. These valuations had not been completed by the date these financial statements were approved for issue by the Board of Directors.

(ii) Meenakshi Energy Limited

Meenakshi Energy Limited ("Meenakshi") is a 1,000 MW coal-based power plant located at Nellore, Andhra Pradesh. NCLT vide its order dated 10 August 2023 has granted its approval for the Resolution Plan as submitted by VEDL for acquisition of Meenakshi under Corporate Insolvency Resolution Process in accordance with the provisions of Insolvency and Bankruptcy Code (IBC), 2016 for a total consideration of US\$ 174 million (INR 14,440 million).

Pursuant to the approval of Resolution Plan, the Company has made a payment of upfront consideration of US\$ 37 million (INR 3,120 million) and infused US\$ 0.12 million (INR 10 million) through equity for the implementation of approved Resolution Plan. On 16 October 2023, zero coupon, secured, unlisted non-convertible debentures ("NCDs") of aggregate face value of US\$ 135 million (INR 11,280 million) have been issued by Meenakshi to its financial creditors, redeemable in 5 equal annual instalments starting from 16 October 2025. Consequent to satisfaction of all condition's precedent of the Resolution Plan, the Company has acquired control of Meenakshi on 27 December 2023. The above acquisition meets the criterion of asset acquisition under IFRS 3 - Business Combinations. Accordingly, fair value of the total consideration amounting to US\$ 130 million (INR 10,800 million) has been allocated to the identified assets and liabilities acquired on the basis of their relative fair values.

(iii) Scheme of Arrangements for Demerger

The Board of Directors of Vedanta Limited, in its meeting held on 29 September 2023, had approved a Scheme of Arrangement ("the Scheme") for demerger of various businesses of the VEDL. The Scheme entails demerger of the VEDL's Aluminium (represented by the Aluminium segment), Merchant Power (represented by the Power segment), Oil & Gas (represented by the Oil and Gas segment), Base Metals (represented by the Copper and Zinc International segment) and Iron Ore (represented by Iron Ore segment and Steel business) undertakings, resulting in 6 separate companies (including VEDL, being the demerged Company), with a mirrored shareholding and consequent listings at BSE Limited and National Stock Exchange of India

Limited ('the Stock Exchanges'). The Stock Exchanges have given their no-objection to the Scheme.

A joint company scheme application was filed by demerged company (i.e., VEDL) and four resulting companies (i.e., Vedanta Aluminium Metal Limited ("VAML"), Malco Energy Limited ("MEL"), Vedanta Base Metals Limited ("VBML") and Vedanta Iron and Steel Limited ("VISL")) before the Hon'ble National Company Law Tribunal, Mumbai Bench ('NCLT'). The matter was heard by the Hon'ble NCLT at the first motion hearing held on 16 October 2024. The NCLT by way of its order dated 21 November 2024 has inter alia:

- a) directed VEDL to convene a meeting of its equity shareholders, secured creditors and unsecured creditors within 90 days of the date of receipt of the order;
- b) directed MEL to convene a meeting of its secured creditors and unsecured creditors within 90 days of the date of receipt of the order;
- c) dispensed with the meeting of equity Shareholders of VAML, MEL, VBML and VISL; and
- d) dispensed with the meeting of secured Creditors and unsecured creditors of VAML, VBML and VISL.

Further, a separate company scheme application was filed with the NCLT by Talwandi Sabo Power Limited ('TSPL'), one of the resulting companies, for demerger of Merchant Power Undertaking, post shifting of its registered office from Mansa (Punjab) to Mumbai (Maharashtra). The Hon'ble NCLT at the first motion hearings held on 13 November 2024 and 27 November 2024 heard the matter and has reserved its order for formal pronouncement.

Subsequent to the above, the board of directors ("Board") of the demerged company have by way of their resolution dated December 20, 2024 and VBML and the other resulting companies, have by way of their resolutions dated December 23, 2024, decided to not proceed with implementation of Demerger of the Base Metals Undertaking of the Scheme, along with appropriate amendments to the Scheme. The non-implementation of the demerger of the Base Metals undertaking shall not affect any other Parts of the Scheme described above.

Pending regulatory and other substantive approvals, no adjustments have been recorded during the six months ended 30 September 2024.

(iv) Disposal of Subsidiary

During the year ended 31 March 2024, Monte Cello BV ("MCBV"), a wholly owned subsidiary of Vedanta Limited, sold 100% of its equity ownership in its wholly owned subsidiary, Copper Mines of Tasmania ("CMT") which was previously engaged in copper mining operations in Australia. Consequently, upfront cash consideration of US\$ 10 million (INR 840 million) received by the Group and de-recognition of net liabilities of US\$ 12 million (INR 940 million) pertaining to CMT, has resulted in a total gain of US\$ 22 million (INR 1,780 million) which has been included in investment revenue in consolidated financial statements for the year ended 31 March 2024. Further, as part of the transaction, the acquirer shall pay the Group additional consideration in future upto US\$ 310 million by way of fee/ royalties, on achieving certain pre-agreed milestones.

4. Segment information

The Group is a diversified natural resources Group engaged in exploring, extracting and processing minerals and oil and gas. The Group produces zinc, lead, silver, copper, aluminium, iron ore, oil and gas, ferro alloys, steel, cement, and commercial power and has a presence across

India, Zambia, South Africa, Namibia, UAE, Ireland, Australia, Liberia, Japan, South Korea and Taiwan. The Group is also in the business of port operations and manufacturing of glass substrate.

The Group's reportable segments defined in accordance with IFRS 8 are as follows:

- Zinc- India (comprises zinc and lead India)
- Zinc-International
- Oil & Gas
- Iron Ore
- Copper-India/Australia
- Copper-Zambia
- Aluminium
- Power

'Others' segment mainly comprises port/berth, steel, glass substrate, ferro alloys and cement business and those segments which do not meet the quantitative threshold for separate reporting. Each of the reportable segments derives its revenues from these main products and hence these have been identified as reportable segments by the Group's chief operating decision maker ("CODM").

Management monitors the operating results of reportable segments for the purpose of making decisions about resources to be allocated and for assessing performance. Segment performance is evaluated based on the Earnings Before Interest, Taxes, Depreciation, and Amortization ("EBITDA") of each segment. Business segment financial data includes certain corporate costs, which have been allocated on an appropriate basis. Inter-segment sales are charged based on prevailing market prices.

The following tables present revenue and profit information for the six months ended 30 September 2024 and 30 September 2023 and certain asset and liability information regarding the Group's reportable segments as at 30 September 2024 and year ended 31 March 2024. Items after operating profit are not allocated by segment.

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(a) Reportable segments

For the Six months ended 30 September 2024

	(US\$ million)										
	Zinc-India	Zinc- International	Oil and gas	Iron Ore	Copper-India/ Australia	Copper- Zambia**	Aluminium	Power	Others	Elimination	Total operations
REVENUE											
Sales to external customers	1,888	212	688	316	1,327	1	3,256	418	562	-	8,668
Add: Inter-segment sales	2	-	-	6	1	-	4	-	25	(38)	-
Segment revenue	1,890	212	688	322	1,328	1	3,260	418	587	(38)	8,668
Segment Result											
EBITDA ⁽¹⁾	960	67	270	39	(9)	(30)	1,028	54	221	-	2,600
Less: Depreciation and amortisation ⁽²⁾	196	24	162	24	15	14	162	33	23	-	653
Less: Other expense	-	-	15*	-	-	-	-	-	-	-	15
Operating profit / (loss) before special items	764	43	93	15	(24)	(44)	866	21	198	-	1,932
Add: Investment revenue	-	-	-	-	-	-	-	-	-	-	131
Less: Finance costs	-	-	-	-	-	-	-	-	-	-	1,063
Add: Other gains and (losses) [net]	-	-	-	-	-	-	-	-	-	-	5
Add: Special items (Refer Note 5)	-	-	-	-	-	-	-	-	-	-	1,142
Profit before tax											2,147
Segment assets	2,682	1,171	3,207	739	600	2,576	7,572	1,807	1,211	-	21,565
Financial asset investments	-	-	-	-	-	-	-	-	-	-	167
Deferred tax assets	-	-	-	-	-	-	-	-	-	-	445
Short-term investments	-	-	-	-	-	-	-	-	-	-	2,520
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	-	1,145
Tax assets	-	-	-	-	-	-	-	-	-	-	260
Others	-	-	-	-	-	-	-	-	-	-	289
TOTAL ASSETS											26,391
Segment liabilities	833	309	1,606	420	812	547	2,429	129	535	-	7,620
Borrowings	-	-	-	-	-	-	-	-	-	-	14,943
Current tax liabilities	-	-	-	-	-	-	-	-	-	-	155
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	-	1,401
Others	-	-	-	-	-	-	-	-	-	-	377
TOTAL LIABILITIES											24,496
Other segment information											
Impairment reversal/(charge) (Refer note 5)	-	-	313	-	-	-	-	-	(34)	-	279

*Exploration costs written off

**During the six months ended 30 September 2024, the Group regained control over KCM and consolidated it with effect from 31 July 2024, refer note number 3(b)(i) for details.

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For the Six months ended 30 September 2023

	(US\$ Million)									
	Zinc-India	Zinc- International	Oil and gas	Iron Ore	Copper-India/ Australia	Aluminium	Power	Others	Elimination	Total operations
REVENUE										
Sales to external customers	1,652	265	1,345	490	1,133	2,891	389	557	-	8,722
Add: Inter-segment sales	-	-	-	10	-	4	-	34	(48)	-
Segment revenue	1,652	265	1,345	500	1,133	2,895	389	591	(48)	8,722
Segment Result										
EBITDA ⁽¹⁾	775	69	851	58	(13)	459	65	196	-	2,460
Less: Depreciation and amortisation ⁽²⁾	188	29	158	17	12	139	33	38	-	614
Less: Other expense	-	-	66*	-	-	-	-	-	-	66
Operating profit / (loss) before special items	587	40	627	41	(25)	320	32	158	-	1,780
Add: Investment revenue	-	-	-	-	-	-	-	-	-	92
Less: Finance costs	-	-	-	-	-	-	-	-	-	870
Less: Other gains and (losses) [net]	-	-	-	-	-	-	-	-	-	31
Add: Special items (Refer Note 5)	-	-	-	-	-	-	-	-	-	151
Profit before tax	-	-	-	-	-	-	-	-	-	1,122

* Exploration costs written off

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Interim results for the Six months ended 30 September 2024

Year ended 31 March 2024

(US\$ million)

	Zinc- India	Zinc- International	Oil and gas	Iron Ore	Copper- India/ Australia	Aluminium	Power	Others	Elimination	Total operations
Segments assets	2,567	955	3,272	689	446	7,388	1,749	1,274	-	18,340
Financial asset investments	-	-	-	-	-	-	-	-	-	118
Deferred tax assets	-	-	-	-	-	-	-	-	-	422
Short-term investments	-	-	-	-	-	-	-	-	-	1,575
Cash and cash equivalents	-	-	-	-	-	-	-	-	-	384
Tax assets	-	-	-	-	-	-	-	-	-	466
Others	-	-	-	-	-	-	-	-	-	1,025
TOTAL ASSETS										22,330
Segment liabilities	746	252	1,738	415	646	2,653	92	454	-	6,996
Borrowings	-	-	-	-	-	-	-	-	-	14,330
Current tax liabilities	-	-	-	-	-	-	-	-	-	299
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	1,206
Others	-	-	-	-	-	-	-	-	-	347
TOTAL LIABILITIES	-	-	-	-	-	-	-	-	-	23,178
Other segment information										
Additions to property, plant and equipment, exploration and evaluation assets and intangible assets ⁽³⁾	462	259	367	89	14	926	165	134	-	2,418
Impairment charge/(reversal)	-	14	(157)	18	81	16	-	-	-	(28)

(1) EBITDA is a non-IFRS measure and represents earnings before special items, depreciation, amortisation, other gains and losses, interest and tax.

(2) Depreciation and amortisation are also provided to the chief operating decision maker on a regular basis.

(3) Additions to property, plant and equipment, exploration and evaluation assets and intangible assets includes US\$ 2 million not allocated to any segment.

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Disaggregation of revenue

Below table summarises the disaggregated revenue from contracts with customers:

(US\$ million)

Particulars	Six months ended 30 September 2024 (Unaudited)	Six months ended 30 September 2023 (Unaudited)
Zinc metal	1,457	1,311
Lead metal	300	308
Silver metal and bars	365	327
Oil	536	1,153
Gas	158	166
Iron ore	118	267
Pig iron	242	271
Metallurgical coke	12	11
Copper products	1,307	1,104
Aluminium products	3,170	2,772
Power	314	286
Steel products	333	380
Ferro alloys	70	37
Others	346	296
Revenue from contracts with customers	8,728	8,689
Revenue from contingent rents	85	89
loss on provisionally priced contracts under IFRS 9	(145)	(56)
Total Revenue	8,668	8,722

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5. Special items

(US\$ million)						
	Six months ended 30 September 2024			Six months ended 30 September 2023		
	Special items	Tax effect	Special items after tax	Special items	Tax effect	Special items after tax
Impact of state levies on zinc ^{1,2}	(10)	3	(7)	-	-	-
Impact of state levies on iron ore ²	(17)	3	(14)	-	-	-
Gross profit special items	(27)	6	(21)	-	-	-
Impairment reversal/ (charge)						
- oil & gas assets ^{3,4}	313	(103)	210	157	(51)	106
- iron ore assets	-	-	-	(6)	1	(5)
- others ⁵	(34)	-	(34)	-	-	-
Total impairment reversal/ (charge) (net)	279	(103)	176	151	(50)	101
Operating special items	252	(97)	155	151	(50)	101
Gain on consolidation of KCM (refer note 3(b)(i))	890	-	890	-	-	-
Net tax expense on account of adoption of new tax rate ⁶	-	-	-	-	(774)	(774)
Total of Special items	1,142	(97)	1,045	151	(824)	(673)

1. Zinc - Land tax: during the six months ended 30 September 2024, the Group has opted to settle matters pertaining to land tax for the period till February 2024, by availing the Amnesty Scheme 2024 as launched by State of Rajasthan. Pursuant to which the Group has recorded a provision of US\$ 3 million. Furthermore, the State of Rajasthan vide the same notification has exempted land tax payable on all classes of land with effect from 08 February 2024.
2. The Supreme Court of India vide its order dated 25 July 2024 (the "Supreme Court Order") opined that the state governments have powers to levy additional taxes/cess on mineral bearing land and mining rights thereof and also held that royalty is not a tax. The Supreme Court vide its further order dated 14 August 2024, clarified that the state governments can levy or renew demands of tax/cess on the existing cases initiated on or after 01 April 2005 which will be payable in 12 annual instalments commencing from 01 April 2026.

Zinc - Environment and Health Cess: The State of Rajasthan had levied Environment and Health Cess through a notification in year 2008 on major minerals including lead and zinc which later got rescinded in 2017. As per management's assessment on account of the Supreme Court Order, the Group has recorded a provision of US\$ 7 million. However, the Group has not received any demand notice post Supreme Court Order till date.

Iron ore - Transport Cess: The Group and other miners had challenged the cess imposition under Goa Rural Improvement and Welfare Cess Act, 2000 (the "Act") in the High Court of Bombay, which upheld the Act's validity in September 2018. The Group's appeal is currently pending before the Supreme Court. As per management's assessment on account of the Supreme Court Order, the Group has recorded a provision of US\$ 17 million.

3. During the six months ended 30 September 2024, the Oil & Gas segment of the Group has commenced injection of Alkaline Surfactant Polymer (ASP) flooding in selective well pads of the Mangala field. In order to extend the injection across the field, the Group has identified cluster-based development approach. The execution of cluster-based approach has commenced with the award of surface facilities and on ground mobilization. As a result of the above, the Group is planning for the development of remaining clusters. Accordingly, the Group evaluated the fair value of the Oil & Gas business and updated other key assumptions such as Brent price, discount rate, tax rate etc., in line with market participant approach. The recoverable amount of the Company's share in Rajasthan Oil and Gas cash generating unit ("RJ CGU") is determined to be US\$ 1,574 million as at 30 September 2024, resulting in an impairment reversal of US\$ 313 million on its assets in the oil and gas producing facilities.
4. The recoverable value of the RJ CGU is determined based on the fair value less costs of disposal approach, a level 3 valuation technique in the fair value hierarchy, as it more accurately reflects the recoverable amount based on the Company's view of the assumptions that would be used by a market participant. This is based on the cash flows expected to be generated by the projected oil and natural gas production profiles (reserves and resources) extractable up to 2040 (including expected 10 year additional term of license extension) the expected dates of cessation of production sharing contract (PSC)/ cessation of production from each producing field based on the current estimates of reserves and risk resources and after factoring tax outflows at 25.17% tax rate etc., Management believes that an additional 10-year term of license extension would be available and would also be considered by a market participant based on past precedence on license extensions, industry practice with relation to granting of extensions and understanding of Indian economy's focus on self-reliance for oil production which is

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indicated by various initiatives through award of new blocks etc. Further, management considers that as the RJ Block is in India, an independent market participant would pay tax at 25.17% tax rate instead of the company's actual tax rate (validated by independent expert) and accordingly, believe that such assumption on taxation is appropriate. Discounted cash flow analysis used to calculate fair value less costs of disposal uses assumption for short-term oil price of US\$ 79 per barrel for the next one year and tapers down to long-term nominal price of US\$ 73 per barrel three years thereafter derived from a consensus of various analyst recommendations. Thereafter, these have been escalated at a rate of 2.0% per annum. The cash flows are discounted using the post-tax nominal discount rate of 11.91% (15% for ASP remaining clusters) derived from the post-tax weighted average cost of capital after factoring in the risks ascribed to PSC extension including successful implementation of key growth projects. Based on the sensitivities carried out by the Company, change in crude price assumptions by US \$ 1/bbl and changes to discount rate by 1% would lead to a change in recoverable value by US\$ 2 million and US\$ 82 million.

GoI, acting through the Directorate General of Hydrocarbons (DGH), had raised demand up to 14 May 2020 for Government's additional share of Profit Oil, based on its computation of disallowance of cost incurred over retrospective re-allocation of certain common costs between Development Areas (DAs) of Rajasthan Block and certain other matters aggregating to US\$ 1,162 million and applicable interest thereon representing share of Vedanta Limited and its subsidiary.

The Group had disputed the aforesaid demand. The Group has received the final partial arbitration award dated 22 August 2023 from Arbitration Tribunal, dismissing the Government's contention of additional Profit Petroleum in relation to allocation of common development costs across Development Areas and certain other matters in accordance with terms of the Production Sharing Contract for Rajasthan Block, while disallowing some matters. Further, Tribunal has decided that the Group is allowed to claim cost recovery of exploration cost for the purpose of computation of Profit Oil.

Pursuant to the award, the Group has recognized a benefit of US\$ 578 million in revenue from operations and reversed previously recognized impairment in Property, Plant and Equipment of US\$ 157 million. The Group has adjusted the liability for the six months ended 30 September 2023 of US\$ 127 million against the aforesaid benefits recognized per the Arbitration award. DGH has responded vide letter dated 19 October 2023 ("DGH Letter") to withhold such adjustment in light of GoI's response to the Tribunal.

GoI has sought an additional award or interpretation/ clarification on certain matters decided by the Tribunal under the Indian Arbitration and Conciliation Act, 1996 ("the Act") ("GoI Application"). The management based on independent legal opinion, merits of the case and prevailing law, anticipates a positive order. Pending Arbitration Tribunal's response to GoI's Application, no consequential adjustments are deemed necessary in the financial statements. The Arbitration tribunal vide order dated 15 November 2023 dismissed the GoI's interpretation application on disagreement of recovery of exploration cost beyond exploration period in favour of the Group.

5. During the six months ended 30 September 2024, for certain projects under CWIP at AvanStrate Inc ("ASI"), a subsidiary of the Company, a provision for impairment have been recorded as they are no longer expected to be viable.
6. Pursuant to the introduction of Section 115BAA of the Income-tax Act, 1961 (New Tax Regime), Vedanta Limited has an option to pay corporate income tax at a lower rate of 22% plus applicable surcharge and cess, as against the currently applicable rate of 30% plus surcharge and cess. Under New Tax Regime, provisions of Section 115 JB-Minimum Alternate Tax (MAT) is no longer applicable. In the six months ended 30 September 2023, Vedanta Limited has elected to adopt New Tax Regime from FY 2022-23 onwards due to business plans and economic benefits and the first tax return under the New Tax Regime has been filed for FY 2022-23 on 29 November 2023. Upon adoption of New Tax Regime for FY 2022-23, the current tax charge was lower by US \$ 220 Million (mainly on account of section 80M benefit not available under MAT in old regime) and the deferred tax charge was higher by US \$ 47 Million. Further, the MAT credit balance of US \$ 947 Million, for periods up to 31 March 2023, has been written off. Consequently, the net tax impact of US \$ 774 Million was accounted for as special item in the six months ended 30 September 2023. Current period tax expense was not comparable with the six months ended 30 September 2023.

6. Other gains and (losses) (net)

	(US\$ million)	
	Six months ended 30 September 2024	Six months ended 30 September 2023
Foreign exchange gains/(loss) (net)	4	(27)
Net gain/(loss) arising on qualifying hedges and non-qualifying hedges	1	(4)
Bargain gain on acquisition of KCM	16	-
Total	21	(31)

7. Tax

(a) Tax charge/ (credit) recognised in condensed consolidated Income Statement (including on special items)

	(US\$ million)	
	Six months ended 30 September 2024	Six months ended 30 September 2023
Current tax:		
Current tax on profit for the period	262	460
Expense/ (benefit) in respect of current tax for earlier years	(3)	0
Benefit in respect of special items (note 5)	(6)	(219)
Total current tax expense (a)	253	241
Deferred tax		
Reversal/ (benefit) of temporary differences	56	(19)
Expense in respect of Special items (note 5)	103	1,043
Total deferred tax expense (b)	159	1,024
Total Income tax expense ((a)+(b))	412	1,265
Profit before tax from continuing operations	2,147	1,122
Effective Income tax rate (%)	19.2%	112.7%

Tax expense

	(US\$ million)	
	Six months ended 30 September 2024	Six months ended 30 September 2023
Particulars		
Tax effect of special items (Note 5)	97	824
Tax expense – others	315	441
Net tax expense	412	1,265

- (b) The tax department had issued demands on account of remeasurement of certain tax incentives, under section 80IA and 80 IC of the Income-tax Act, 1961. During the year ended 31 March 2020, based on the favourable orders from Income Tax Appellate Tribunal relating to AY 09-10 to AY 12-13, the Commissioner of Income Tax (Appeals) has allowed these claims for AY 14-15 to AY 15-16, which were earlier disallowed and has granted refund of amounts deposited under protest. In July 24, the company has received Assessment Order for AY 2020-21, where similar demands were raised on account of 80-IA and 80-IC. Against the said order, the company had filed appeal before Income Tax Appellate Tribunal and Stay order received against the demand. The appeal is still pending for disposal. Against the Tribunal order, the department had filed an appeal in Hon'ble Rajasthan High Court in financial year 17-18 (for AY 2009-10 to AY 2012-13) and in FY 2023-24 (for AY 2017-18 and AY 2018-19) which are yet to be admitted. As per the view of external legal counsel, Department's appeal seeks re-examination of facts rather than raising any substantial question of law and hence it is unlikely that appeal will be admitted by the High Court. Accordingly, there is a high probability that the case will go in favour of the Group. The amount involved in this dispute as of 30 September 2024 is US\$ 1,481 million (31 March 2024: US\$ 1,494 million) plus applicable interest up to the date of settlement of the dispute.
- (c) During the half year ended 30 September 2024, AvanStrate Inc. Japan ("ASI"), HOYA and Cairn India Holdings Limited ("CIHL") a wholly owned subsidiary of the Company, executed a comprehensive settlement agreement dated 5 August 2024 to settle all liabilities and provide an exit to HOYA (the "Settlement agreement"). On account of the said agreement, the Group acquired its stake of ~46% in ASI. The outstanding obligation of HOYA, as determined by the Settlement Agreement, has been fully paid on 26 August 2024 and HOYA's shareholding has been transferred to CIHL on 29 August 2024. Post HOYA's exit, the Group holds ~98.2% in ASI.

In order to strengthen the ASI operations, the Group expects to re-organise the capital structure of ASI and its subsidiaries ("ASI Group") and is evaluating multiple options. The said reorganization is expected to result in utilization of brought forward losses at the ASI Group. Hence, net deferred tax asset of US\$ 84 million pertaining to such unutilized tax losses have been recorded during the period ended 30 September 2024, in accordance with principles of IAS-12 - Income taxes.

8. Underlying Attributable Profit/(Loss) for the period

Underlying profit/ (loss) is an alternative earnings measure, which the management considers to be a useful additional measure of the Group's performance. The Group's underlying profit/ loss is the profit/ (loss) from continuing operations for the period after adding back special items (note 5), other gains/ (losses) [net] (note 6) and their resultant tax (including taxes classified as special items) and non-controlling interest effects. This is a non-IFRS measure.

		(US\$ million)	
	Note	Six months ended 30 September 2024	Six months ended 30 September 2023
Profit/ (Loss) for the period attributable to equity holders of the parent		995	(280)
Gain on Special items	5	(1,142)	(151)
Other (gains)/losses [net]	6	(5)	31
Tax effect of special items (including taxes classified as special items) and other gains/ (losses) [net]		98	818
Non-controlling interest on special items and other gains/ (losses)		70	(257)
Underlying attributable profit for the period		16	161

9. Movement in net debt ⁽¹⁾

(US\$ million)

	Cash and cash equivalents	Short term Investments and Non-current Bank Deposits	Total cash and short-term investments	Debt due within one year Debt carrying value	Debt due after one year* Debt carrying value	Total Net Debt ⁽⁴⁾
Balance as at 1 April 2024	365	1,616	1,981	(512)	(13,818)	(12,349)
Cash flow from continuing operations ⁽³⁾	447	935	1,382	(356)	(237)	789
On regaining control of KCM (refer note 3(b)(i))	235	-	235	-	-	235
Other non-cash changes ⁽²⁾	-	(26)	(26)	(17)	(27)	(70)
Foreign exchange currency translation differences	5	5	10	2	22	34
Balance as at 30 September 2024	1,052	2,530	3,582	(883)	(14,060)	(11,361)

* Includes current maturities of long-term borrowings of US\$ 3,512 million as at 30 September 2024.

(US\$ Million)

	Cash and cash equivalents	Short term Investments and Non-current Bank Deposits	Total cash and short-term investments	Debt due within one year Debt carrying value	Debt due after one year* Debt carrying value	Total Net Debt ⁽⁴⁾
Balance as at 1 April 2023	858	1,770	2,628	(1,616)	(13,742)	(12,730)
Cash flow from continuing operations ⁽³⁾	(414)	(50)	(464)	535	65	136
Other non-cash changes ⁽²⁾	-	19	19	77	(123)	(27)
Foreign exchange currency translation differences	(9)	(18)	(27)	32	101	106
Balance as at 30 September 2023	435	1,721	2,156	(972)	(13,699)	(12,515)

* Includes current maturities of long-term borrowings of US\$ 4,093 million as at 30 September 2023.

- (1) Net debt is a non-IFRS measure and represents total debt after fair value adjustments under IAS 32 and IFRS 9 as reduced by cash and cash equivalents and short-term investments and changes in liabilities arising from financing activities as per requirements of IAS 7.
- (2) Other non-cash changes comprise amortisation of borrowing costs, foreign exchange difference on net debt. It also includes US\$ 26 million (30 September 2023: US\$ 19 million) of fair value movement in investments and accrued interest on investments.
- (3) Consists of net repayment of working capital loan, proceeds and repayments of short-term and long-term borrowings.
- (4) Total net debt excludes movement in lease liabilities which is separately disclosed below.

Debt securities issued/ repaid during the period

In March 2024, Sesa Resources Limited issued unlisted secured Non-Convertible Debentures (NCDs) of US\$ 191 million (INR 16,000 million) at an interest rate of 11.85%. These NCDs were fully repaid in July 2024.

In May 2024, Vedanta Semiconductor Private Limited issued unlisted secured NCDs worth US\$ 298 million (INR 25,000 million) at an interest rate of 10.00%. Of the total amount, 25% is repayable in May 2025, and the remaining 75% is repayable in May 2026, after 12 months and 24 months from the deemed date of allotment, respectively.

In July 2024, Vedanta Limited issued listed secured NCDs of US\$ 119 million (INR 10,000 million) at an interest rate of Overnight Index Swap (OIS)+ 3.75%. These NCDs are due for repayment in October 2025 after 15 months from the date of allotment.

In December 2020, Vedanta Resources Finance 2 Limited issued bonds of US\$ 1,000 million at an interest rate of 13.875%. The bonds were originally due for repayment in January 2024. During the financial year ended 2024, these bonds were restructured, and their maturity was extended until January 2027. In February 2024, US\$ 530 million of these bonds were repaid, and a further US\$ 34 million was repaid in September 2024. As of 30 September 2024, the carrying value of the bonds is US\$ 422 million.

In March 2021, Vedanta Resources Finance 2 Limited issued bonds of US\$ 1,200 million in three tranches of US\$ 400 million each at an interest rate of 8.95%, with repayment scheduled for March 2025. During the financial year ended 2024, these bonds were restructured, and the interest rate was revised to 13.875% with effect from 04 January 2024. As part of the restructuring, the maturity was extended, with the three tranches of US\$ 336 million each now due for repayment in August 2027, August 2028, and December 2028, respectively. US\$ 192 million was repaid in February 2024, and US\$ 90 million was repaid in September 2024. As of 30 September 2024, the carrying value of these bonds is US\$ 918 million.

In September 2024, Vedanta Resources Finance 2 Limited also issued bonds of US\$ 900 million at an interest rate of 10.875%, with repayment scheduled for September 2029. As of 30 September 2024, the carrying value of these bonds is US\$ 891 million.

Movement in lease liabilities is as follows:

	(US\$ million)
At 01 April 2023	62
Payments made	(11)
Other non-cash changes:	
Net additions	25
Interest on lease liabilities	2
At 30 September 2023	78
At 01 April 2024	127
Payments made	(21)
Other non-cash changes:	
Net additions	25
Interest on lease liabilities	5
At 30 September 2024	136

10. Financial instruments

Financial Assets and Liabilities:

The following tables present the carrying value and fair value of each category of financial assets and liabilities as at 30 September 2024 and 31 March 2024:

(US\$ million)

As at 30 September 2024	Fair value through profit or loss	Fair value through other comprehensive income	Derivatives designated as hedging instruments	Amortised cost	Total carrying value	Total fair value
Financial Assets						
Financial instruments (derivatives)	16	-	48	-	64	64
Financial asset investments held at fair value	112	55	-	-	167	167
Short term investments						
- Bank deposits	-	-	-	365	365	365
- Other investments	1,720	435	-	-	2,155	2,155
Cash and cash equivalents	-	-	-	1,145	1,145	1,145
Other non-current assets and trade and other receivables	52	-	-	2,282	2,334	2,334
Total	1,900	490	48	3,792	6,230	6,230

(US\$ million)

As at 30 September 2024	Fair value through profit or loss	Derivatives designated as hedging instruments	Amortised cost	Total carrying value	Total fair value
Financial Liabilities					
Financial instruments (derivatives)	9	63	-	72	72
Trade and other payables**	97	-	6,291	6,388	6,388
Borrowings	-	-	14,943	14,943	15,036
Total	106	63	21,234	21,403	21,496

**Includes operational buyers' credit/suppliers' credit of US\$ 1,941 million

(US\$ million)

As at 31 March 2024	Fair value through profit or loss	Fair value through other comprehensive income	Derivatives designated as hedging instruments	Amortised cost	Total carrying value	Total fair value
Financial Assets						
Financial instruments (derivatives)	8	-	12	-	20	20
Financial asset investments held at fair value	80	38	-	-	118	118
Short term investments						
- Bank deposits	-	-	-	221	221	221
- Other investments	823	531	-	-	1,354	1,354
Cash and cash equivalents	-	-	-	384	384	384
Other non-current assets and trade and other receivables	24	-	-	3,259	3,283	3,384
Total	935	569	12	3,864	5,380	5,481

(US\$ million)

As at 31 March 2024	Fair value through profit or loss	Derivatives designated as hedging instruments	Amortised cost	Others*	Total carrying value	Total fair value
Financial Liabilities						
Financial instruments (derivatives)	7	10	-	-	17	17
Trade and other payables**	67	-	5,359	30	5,456	5,456
Borrowings	-	-	14,330	-	14,330	14,035
Total	74	10	19,689	30	19,803	19,508

*Represents put option liability accounted for at fair value

**Includes operational buyers' credit/suppliers' credit of US\$ 1,792 million

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices)
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The below tables summarises the categories of financial assets and liabilities as at 30 September 2024 and 31 March 2024 measured at fair value:

(US\$ Million)

	As at 30 September 2024		
	Level 1	Level 2	Level 3
Financial assets			
At fair value through profit or loss			
- Short term investments	458	1,262	-
- Financial asset investments held at fair value	-	-	112
- Financial instruments (derivatives)	-	16	-
- Other non-current assets and trade and other receivables	-	52	-
At fair value through other comprehensive income			
- Financial asset investments held at fair value	7	456	27
Derivatives designated as hedging instruments			
- Financial instruments (derivatives)	-	49	-
Total	465	1,835	139
Financial liabilities			
At fair value through profit or loss			
- Financial instruments (derivatives)	-	9	-
- Trade and other payables	-	97	-
Derivatives designated as hedging instruments			
- Financial instruments (derivatives)	-	63	-
Total	-	169	-

(US\$ Million)			
As at 31 March 2024			
	Level 1	Level 2	Level 3
Financial assets			
At fair value through profit or loss			
- Short term investments	319	504	-
- Financial asset investments held at fair value	-	-	80
- Financial instruments (derivatives)	-	8	-
- Other non-current assets and trade and other receivables	-	24	-
At fair value through other comprehensive income			
- Financial asset investments held at fair value	6	551	12
Derivatives designated as hedging instruments			
- Financial instruments (derivatives)	-	12	-
Total	325	1,099	92
Financial liabilities			
At fair value through profit or loss			
- Financial instruments (derivatives)	-	7	-
- Trade and other payables	-	67	-
Derivatives designated as hedging instruments			
- Financial instruments (derivatives)	-	10	-
Trade and other payables- Put option liability with non- controlling interest	-	-	30
Total	-	84	30

(US\$ million)						
As at 30 September 2024				As at 31 March 2024		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Loans, receivables and obligations of KCM towards the Group*	-	-	-	-	-	756
Total	-	-	-	-	-	756

The changes in fair value of Level 3 items for the year ended 31 March 2024 are set out in the table below:

Loans, receivables and obligations of KCM towards the Group	(US\$ million)
	As at 31 March 2024
Opening balance as	751
Fair value change during the year	5
Closing balance*	756

*During the six months ended 30 September 2024, the Group regained control over KCM and consolidated it with effect from 31 July 2024, refer note number 3(b)(i) for details.

The below table summarizes the fair value of borrowings which are carried at amortised cost as at 30 September 2024 and 31 March 2024:

(US\$ million)				
	As at 30 September 2024		As at 31 March 2024	
	Level 1	Level 2	Level 1	Level 2
Borrowings	3,778	11,258	2,645	11,390
Total	3,778	11,258	2,645	11,390

The fair value of the financial assets and liabilities are at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following methods and assumptions were used to estimate the fair values:

- Investments traded in active markets are determined by reference to quoted prices in an active market in case of listed securities and by quotes from the financial institutions; for example: Net asset value (NAV) for investments in mutual funds declared by mutual fund house. For other listed securities traded in markets which are not active, the quoted price is used wherever the pricing mechanism is same as for other marketable securities traded in active markets. Other investments, inputs for which are not based on observable market data (unobservable inputs), are valued on the basis of net assets value method.

Other current investments are valued on the basis of market trades, poll and primary issuances for securities issued by the same or similar issuer and for similar maturities or based on the applicable spread movement for the security derived based on the aforementioned factor(s). Financial assets forming part of Trade and other receivables, cash and cash equivalents (including restricted cash and cash equivalents), bank deposits, financial liabilities forming part of trade and other payables and short-term borrowings: Approximate their carrying amounts largely due to the short-term maturities of these instruments.

- Other non-current financial assets and financial liabilities: Fair value is calculated using a discounted cash flow model with market assumptions, unless the carrying value is considered to approximate to fair value.
- Long-term fixed-rate and variable rate borrowings: Listed bonds are fair valued based on the prevailing market price. For all other long-term fixed-rate and variable-rate borrowings, fair value has been determined using discounted cash flow model based on parameters such as interest rates, specific country risk factors, and the risk characteristics of the financed project.
- Quoted financial asset investments: Fair value is derived from quoted market prices in active markets.
- Derivative financial assets/liabilities: The Group enters into derivative financial instruments with various counterparties. Interest rate swaps, foreign exchange forward contracts and commodity forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques by the Group include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the foreign exchange spot and forward rates, yield curves of the respective currencies, currency basis spreads between the respective currencies, interest rate curves and forward rate curves of the underlying commodity. Commodity contracts are valued using the forward LME rates of commodities actively traded on the listed metal exchange, i.e., London Metal Exchange, United Kingdom (UK).

For all other financial instruments, the carrying amount is either the fair value, or approximates the fair value.

The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationship and the value of other financial instruments recognised at fair value.

The estimated fair value amounts as at 30 September 2024 and 31 March 2024 have been measured as at that date. As such, the fair values of these financial instruments subsequent to reporting date may be different than the amounts reported at each period-end.

There were no significant transfers between level 1, level 2 and level 3 during the current period.

11. Commitments, guarantees, contingencies and other disclosures

A. Commitments

The Group has a number of continuing commitments in the normal course of business including:

- Exploratory mining commitments;
- Oil and gas commitments;
- Mining commitments arising under production sharing agreements; and
- Completion of the construction of certain assets.

Estimated amounts for contracts remaining to be executed on capital account and not provided for:

(US\$ million)

Particulars*	As at 30 September 2024	As at 31 March 2024
Oil & Gas sector		
Cairn Oil & Gas	202	129
Aluminium sector		
Lanjigarh Refinery (Phase II)	148	187
Jharsuguda 1.25 MTPA smelter	38	65
BALCO Smelter Expansion from 0.57 MTPA to 1 MTPA	511	622
Zinc sector		
Zinc India (mines expansion, solar and smelter)	219	241
Gamsberg mining and milling project (Phase II)	149	196
Others	891	798
Total	2,158	2,238

* On 29 February 2024, Hon'ble Supreme Court dismissed the Special Leave Petition filed by the Company, pursuant to which the Company has decided to terminate the contracts which were under suspension for Copper Tuticorin Smelter. Refer Note 3(a)(ii).

Committed work programme (Other than capital commitment):

(US\$ million)

Particulars	As at 30 September 2024	As at 31 March 2024
Oil & Gas sector		
Cairn Oil & Gas (OALP blocks)	1,591	609

Other Commitments

- The Power Division of the Group has signed a long-term power purchase agreement (PPA) with GRIDCO Limited for supply of 25% of power generated from the power station, in addition 5%/7% of the power to be supplied at variable cost as per the conditions referred to in PPA. The PPA has a tenure of twenty-five years, expiring in FY 2037. The Group received favourable order from Odisha Electricity Regulatory Commission ("OERC") dated 05 October 2021 for conversion of Independent Power Plant ("IPP") to Captive Power Plant ("CPP") w.e.f, from 01 January 2022 subject to certain terms and conditions. However, OERC vide order dated 19 February 2022 directed the Group to supply power to GRIDCO from 19 February 2022 onwards. Thereafter, the Group has resumed supplying power to GRIDCO from 01 April 2022 as per GRIDCO's requisition. The OERC vide its order dated 03 May 2023 has reviewed its previous order dated 05 October 2021 and directed the Group to operate Unit 2 as an IPP. The Group has filed an appeal against the said order before APTEL.

- b) TSPL has signed a long term PPA with the Punjab State Power Corporation Limited (PSPCL) for supply of power generated from the power plant. The PPA has tenure of twenty five years, expiring in FY 2042.

B. Guarantees

The aggregate amount of indemnities and other guarantees on which the Group does not expect any material losses, was US\$ 1,306 million (31 March 2024: US\$ 1,122 million).

The Group has given guarantees in the normal course of business as stated below:

- a) Guarantees and bonds advanced to the customs authorities in India of US\$ 177 million (31 March 2024: US\$ 206 million) relating to the export and payment of import duties on purchases of raw material and capital goods.
- b) Guarantees issued for Group's share of minimum work programme commitments of US\$ 442 million (31 March 2024: US\$ 368 million).
- c) Guarantees of US\$ 9 million (31 March 2024: US\$ 19 million) issued under bid bond for placing bids.
- d) Bank guarantees of US\$ 14 million (31 March 2024: US\$ 14 million) has been provided by the Group on behalf of Vedanta Incorporated (formerly known as Volcan Investments Limited) to Income tax department, India as a collateral in respect of certain tax disputes.
- e) Other guarantees worth US\$ 664 million (31 March 2024: US\$ 515 million) issued for securing supplies of materials and services, in lieu of advances received from customers, litigation, for provisional valuation of custom duty and also to various agencies, suppliers and government authorities for various purposes. The Group does not anticipate any liability on these guarantees.

Cairn PSC/RSC guarantee to Government

The Group has also provided guarantees for the Cairn Oil and Gas Group's obligation under the Production Sharing Contract ('PSC') and Revenue Sharing Contract ('RSC').

C. Export Obligations

The Indian entities of the Group have export obligations of US\$ 357 million (31 March 2024: US\$ 323 million) on account of concessional rates of import duty paid on capital goods under the Export Promotion Capital Goods Scheme and under the Advance Licence Scheme for the import of raw material laid down by the Government of India.

In the event of the Group's inability to meet its obligations, the Group's liability would be US\$ 91 million (31 March 2024: US\$ 70 million) plus applicable interest.

The Group has given bonds of US\$ 119 million (31 March 2024: US\$ 124 million) to custom authorities against these export obligations.

D. Contingencies

The Group discloses the following legal and tax cases as contingent liabilities.

Ravva Joint Operations arbitration proceedings

The Ravva Production Sharing Contract (PSC) obliges the contractor parties to pay a proportionate share of ONGC's exploration, development, production and contract costs in consideration for ONGC's payment of costs related to the construction and other activities it conducted in Ravva prior to the effective date of the Ravva PSC (the ONGC Carry). The question as to how the ONGC Carry is to be recovered and calculated, along with other issues, was submitted to an International

Arbitration Tribunal in August 2002 which rendered a decision on the ONGC Carry in favour of the contractor parties (including Vedanta Limited (Cairn India Limited which subsequently merged with Vedanta Limited, accordingly now referred to as Vedanta Limited)) whereas four other issues were decided in favour of Government of India (GOI) in October 2004 (Partial Award).

The GOI then proceeded to challenge the ONGC Carry decision before the Malaysian courts, as Kuala Lumpur was the seat of the arbitration. The Federal Court of Malaysia upheld the Partial Award. As the Partial Award did not quantify the sums, therefore, contractor parties approached the same Arbitration Tribunal to pass a Final Award in the subject matter since it had retained the jurisdiction to do so. The Arbitral Tribunal was reconstituted and the Final Award was passed in October 2016 in Vedanta Limited's favour. GOI's challenge of the Final Award has been dismissed by the Malaysian High Court and the next appellate court in Malaysia, i.e., Malaysian Court of Appeal. GOI then filed an appeal at Federal Court of Malaysia. The matter was heard on 28 February 2019 and the Federal Court dismissed GOI's leave to appeal. Vedanta Limited has also filed for the enforcement of the Partial Award and Final Award before the Hon'ble Delhi High Court. The matter is currently being heard.

While the Group does not believe the GOI will be successful in its challenge, if the Arbitral Awards in above matters are reversed and such reversals are binding, Group would be liable for approximately US\$ 64 million plus interest (31 March 2024: US\$ 64 million plus interest).

Proceedings related to the Imposition of Entry Tax

Vedanta Limited and other Group companies, i.e., Bharat Aluminium Company Limited (BALCO) challenged the constitutional validity of the local statutes and related notifications in the states of Odisha and Rajasthan pertaining to the levy of entry tax on the entry of goods brought into the respective states from outside.

Post some contradictory orders of High Courts across India adjudicating on similar challenges, the Supreme Court referred the matters to a nine-judge bench. Consequent to a detailed hearing, although the bench rejected the compensatory nature of tax as a ground of challenge, it maintained status quo with respect to all other issues which have been left open for adjudication by regular benches hearing the matters.

Following the order of the nine-judge bench, the regular bench of the Supreme Court heard the matters. The regular bench remanded the entry tax matters relating to the issue of discrimination against domestic goods bought from other States to the respective High Courts for final determination but retained the issue of jurisdiction for levy on imported goods, for determination by the regular bench of the Supreme Court. Following the order of the Supreme Court, the Group filed writ petitions in respective High Courts.

On 09 October 2017, the Supreme Court has held that states have the jurisdiction to levy entry tax on imported goods. With this Supreme Court judgement, imported goods will rank pari-passu with domestic goods for the purpose of levy of Entry tax. Vedanta Limited and its subsidiaries have amended their appeals (writ petitions) in Odisha and Chhattisgarh to include imported goods as well.

The issue pertaining to the levy of entry tax on the movement of goods into a Special Economic Zone (SEZ) remains pending before the Odisha High Court. The Group has challenged the levy of entry tax on any movement of goods into SEZ based on the definition of 'local area' under the Odisha Entry Tax Act which is very clear and does not include a SEZ. In addition, the Government of Odisha further, through its SEZ Policy 2015 and the operational guidelines for administration of this policy dated 22 August 2016, exempted the entry tax levy on SEZ operations.

The total claims against Vedanta Limited and its subsidiaries (net of provisions made) are US\$ 82 million (31 March 2024: US\$ 96 million) including interest and penalty till the date of order. Further interest and penalty if any, would be additional.

BALCO: Challenge against imposition of Energy Development Cess

BALCO challenged the imposition of Energy Development Cess levied on generators and distributors of electrical energy @ 10 paise per unit on the electrical energy sold or supplied before the High Court on the grounds that the Cess is effectively on production and not on consumption or sale since the figures of consumption are not taken into account and the Cess is discriminatory since captive power plants (“CPPs”) are required to pay @ 10 paise while the State Electricity Board is required to pay @ 5 paise. The High Court of Chhattisgarh, by order dated 15 December 2006, declared the provisions imposing ED Cess on CPPs as discriminatory and therefore ultra vires the Constitution of India. BALCO has sought refund of Cess paid till March 2006 amounting to US\$ 4 million.

The State of Chhattisgarh moved a Special Leave Petition in the Honorable Supreme Court (the SC) and the SC whilst issuing notice has stayed the refund of the Cess already deposited and the Supreme Court has also directed the State of Chhattisgarh to raise the bills, but no coercive action be taken for recovery for the same. Final argument in this matter started before the Supreme Court. In case the Supreme Court overturns the decision of the High Court, the Group would be liable to pay an additional amount of US\$ 146 million (31 March 2024: US\$ 141 million). As at 30 September 2024, an amount of US\$ 150 million relating to principal has been considered as a contingent liability (31 March 2024: US\$ 146 million)

BALCO: Electricity Duty

The Group operates a 1,200 MW power plant (“the Plant”) which commenced production in July 2015. Based on the Memorandum of Understanding signed between the Group and the Chhattisgarh State Government, the management believes that the Plant is covered under the Chhattisgarh Industrial policy 2004-09 which provides exemption of electricity duty for 15 years. In June 2021, the Chief Electrical Inspectorate, Raipur (“CIE”) issued a demand notice for electricity duty and interest thereon of US\$ 108 million (INR 8,880 million) and US\$ 72 million (INR 5,880 million) respectively for the period March 2015 to March 2021.

The Group carries an accrual for electricity duty of US\$ 51 million (31 March 2024: US\$ 55 million), net of US\$ 128 million (31 March 2024: US\$ 113 million) paid under protest. The Group has requested the CIE to allow payment of the principal amount over a period of 5 years along with a waiver of interest demand. BALCO has received a reply from CIE that the matter will be discussed with appropriate authorities. As at 30 September 2024, no confirmation has been received on this matter and therefore, amount of US\$ 132 million (INR 11,040 million) (31 March 2024: US\$ 126 million (INR 10,510 million)) relating to interest has been considered as a contingent liability.

Miscellaneous disputes- Income tax

The Group is involved in various tax disputes amounting to US\$ 162 million (31 March 2024: US\$ 162 million) relating to income tax. It also includes similar matters where initial assessment is pending for subsequent periods and where the Group has made claims and assessments are in progress. These mainly relate to the disallowances of tax holidays and depreciation under the Income-tax Act, 1961 and interest thereon which are pending at various appellate levels. Penalties, if any, may be additional.

Based on detailed evaluations and supported by external legal advice, where necessary, the Group believes that it has strong merits, and no material adverse impact on the results of operations, cash flows or the financial position of the Group is expected.

Miscellaneous disputes- Others

The Group is subject to various claims and exposures which arise in the ordinary course of its operations, from indirect tax authorities and others pertaining the assessable values of sales and purchases or incomplete documentation supporting the Group's returns or other claims.

The approximate value of claims (excluding the items as set out separately above) against the Group companies total US\$ 589 million (31 March 2024: US\$ 562 million).

Based on evaluations of the matters and legal advice obtained, the Group believes that it has strong merits and no material adverse impact on the results of operations, cash flows or financial position of the Group is expected. Accordingly, no provision is considered at this stage.

Except as described above, there are no pending litigations which the Group believes could reasonably be expected to have a material adverse effect on the results of operations, cash flows or the financial position of the Group.

Based on reassessments during the period ended 30 September 2024, the following matter that were reported as contingent liability as at 31 March 2024, are not considered as contingent liability as at 30 September 2024:

1. Hindustan Zinc Limited ("HZL"): Department of Mines and Geology

The Department of Mines and Geology of the State of Rajasthan issued several show cause notices to HZL in August, September and October 2006, aggregating US\$ 41 million claiming unlawful occupation and unauthorised mining of associated minerals other than zinc and lead at HZL's Rampura Agucha, Rajpura Dariba and Zawar mines in Rajasthan during the period from July 1968 to March 2006.

Management believes that no liability will be imposed on the Group as it is entitled to mine lead, zinc and associated minerals under the existing mining lease and royalty is also being paid on these associated minerals. This assessment is supported by a legal opinion obtained by the management.

2. ESL Mine Development and Production Agreement ("MDPA")

ESL, under the Mining Development and Production Agreement (MDPA) for the Nadidih Iron Ore and Manganese Ore Blocks in Orissa, received demand notices for penalties totalling US\$ 210 million in December 2022 for failing to meet the minimum despatch requirements in the first year of the lease. ESL disputes these demands, citing errors in the State Government's calculation period and delays caused by Force Majeure, which entitle them to an extension under the Minerals Concession Rules, 2016. ESL filed a Revision Application, which led to the Revisional Authority nullifying the demand and instructing a fresh decision from the State Government. ESL also received a provisional separate penalty notice in April 2023 for the 1st quarter of the second lease year and thereafter no further demand raised as yearly MDPA targets achieved for second year of lease, however they are disputing on similar grounds. Management believes these demands are unreasonable, and thus no provision for the penalties has been made in the financial statements, based on legal advice and MDPA terms. Based on the legal advice the said obligation is regarded as remote.

12. Related party transactions

The information below sets out transactions and balances between the Group and various related parties in the normal course of business for the six months ended 30 September 2024.

Holding Company

- Vedanta Incorporated[#]
- Volcan Investments Cyprus Limited

Fellow Subsidiary (with whom transactions have taken place)

- Twin Star Technologies Limited
- Sterlite Technologies Limited
- Sterlite Power Transmission limited
- Sterlite Iron and Steel Company Limited
- Sterlite Power Grid Ventures Limited
- Sterlite Convergence Limited
- Sterlite Grid 16 Limited
- STL Digital Limited

ASSOCIATE OF ULTIMATE PARENT (with whom transactions have taken place)

- Serentica Renewables India 1 Private Limited
- Serentica Renewables India 3 Private Limited
- Serentica Renewables India 4 Private Limited
- Serentica Renewables India 5 Private Limited
- Serentica Renewables India 6 Private Limited
- Serentica Renewables India 7 Private Limited
- Serentica Renewables India 8 Private Limited
- Serentica Renewables India 9 Private Limited

ASSOCIATES/JOINT VENTURES (with whom transactions have taken place)

- RoshSkor Township (Pty) Ltd.
- Gaurav Overseas Private Limited
- Goa Maritime Private Limited
- Madanpur South Coal Company Limited
- Gergarub Exploration and Mining (Pty) Limited

OTHERS

Post-retirement benefit plans

- Sesa Group Employees Provident Fund Trust
- Sesa Group Employees Gratuity Fund and Sesa Group Executives Gratuity Fund
- Sesa Group Executives Superannuation Scheme Fund
- Sesa Resources Limited Employees Provident Fund Trust
- Sesa Resources Limited Employees Gratuity Fund
- Sesa Mining Corporation Limited Employees Provident Fund Trust

- Sesa Mining Corporation Limited Employees Gratuity Fund
- Sesa Resources Limited and Sesa Mining Corporation Limited Employees Superannuation Fund
- Hindustan Zinc Limited Employees Contributory Provident Fund Trust
- HZL Employee Group Gratuity Trust
- HZL Superannuation Trust
- BALCO Employees Provident Fund Trust
- FACOR Superannuation Trust
- FACOR Employees Gratuity Scheme

Enterprises over which key management personnel/their relatives have control or significant influence

- Anil Agarwal Foundation
- Cairn Foundation
- Caitlyn India Private Limited
- Grant Thornton Bharat LLP
- Janhit Electoral Trust
- Minova Runaya Private Limited
- Runaya Refining LLP
- Runaya Green Tech Limited
- Runaya Private Limited
- Sesa Community Development Foundation
- Vedanta Foundation
- Vedanta Limited ESOS Trust
- Radha Madhav Investments Private Limited
- Vedanta Medical Research Foundation
- Voorspoed Trust

With effect from 13 October 2023, Volcan Investments Limited has changed its name to Vedanta Incorporated.

Details of transactions for the period ended 30 September 2024 are as follows:

(US\$ million)

	Particulars	Holding Company/Fellow Subsidiaries	Associates/ Joint Ventures	Others	Total
	Income:				
(i)	Revenue from operations	120	-	13	133
(ii)	Miscellaneous income	-	-	0	0
(iii)	Net interest received	2	-	0	2
	Expenditure:				
(i)	Purchases of goods/ services	7	0	46	53
(ii)	Management fees paid	0	-	-	0
(iii)	Reimbursement for other expenses (net of recovery)	(0)	(0)	(0)	(0)

Vedanta Resources Limited**Interim results for the Six months ended 30 September 2024**

(iv)	Donation	-	-	6	6
(v)	Interest expense	1	-	-	1
(vi)	Dividend paid	-	-	0	0
(vii)	Contribution to post retirement employees benefit trust/fund	-	-	4	4
Other transactions during the period:					
(i)	Investments made during the period	-	-	48	48
(ii)	Loan repaid during the period	-	(0)	-	(0)

Details of balances as at 30 September 2024 are as follows:*(US\$ million)*

	Particulars	Holding Company/Fellow Subsidiaries	Associates/ Joint Ventures	Others	Total
(i)	Net amounts receivable at period end	5	2	4	11
(ii)	Net amounts payable at period end	1	-	15	16
(iii)	Investments equity Share and OCRPS	11	-	135	146
(iv)	Value of bonds held by Vedanta Incorporated (formerly known as Volcan Investments Limited)	7	-	-	7
(v)	Interest payable	1	-	-	1
(vi)	Dividend payable	2	-	-	2
(vii)	Net advance given at period end	1	1	20	22
(viii)	Financial guarantee given *	14	-	-	14
(ix)	Loans given**	-	1	-	1
(x)	Loan Taken	1	-	-	1

Details of transactions for the period ended 30 September 2023 are as follows:*(US\$ million)*

	Particulars	Holding Company/Fellow Subsidiaries	Associates/ Joint Ventures	Others	Total
Income:					
(i)	Revenue from operations	94	-	3	97
(ii)	Dividend income	0	-	-	0
(iii)	Net interest received	2	-	-	2
Expenditure:					
(i)	Purchases of goods/services	4	0	19	23
(ii)	Management fees paid	0	-	1	1
(iii)	Reimbursement for other expenses (net of recovery)	0	-	1	1
(iv)	Donation	-	-	3	3
(v)	Interest expense	1	-	-	1
(vi)	Dividend paid	-	-	0	0
(vii)	Contribution to post retirement employees benefit trust/fund	-	-	6	6
Other transactions during the period:					

Vedanta Resources Limited**Interim results for the Six months ended 30 September 2024**

(i)	Investments made during the period	-	-	23	23
(ii)	Loan given during the period	0	-	-	0
(iii)	Loan taken during the period	1	-	-	1
(iv)	Bonds issued/(redeemed) during the period	7	-	-	7

Details of balances as at 31 March 2024 are as follows:*(US\$ million)*

	Particulars	Holding Company/ Fellow Subsidiaries	Associates/ Joint Ventures	Others	Total
(i)	Net amounts receivable at year end	2	1	4	7
(ii)	Net amounts payable at year end	1	-	12	13
(iii)	Investment in equity Share and OCRPS***	8	-	88	96
(iv)	Value of bonds held by Vedanta Inc	7	-	-	7
(v)	Interest payable	0	-	-	0
(vi)	Dividend payable	2	-	-	2
(vii)	Net advance given at year end	1	1	7	9
(viii)	Bank guarantee given *	14	-	-	14
(x)	Loans given**	0	1	-	1
(xi)	Loan taken	1	-	-	1

*Bank guarantee has been provided by the Group on behalf of Vedanta Incorporated (formerly known as Volcan Investments Limited) in favour of Income tax department, India as collateral in respect of certain tax disputes of Vedanta Incorporated. The guarantee amount is US\$ 14 million (31 March 2024: US\$ 14 million).

** During the current period ended 30 September 2024, the Group has renewed loan provided to Sterlite Iron and Steel Company Limited for a further period of 12 months. The loan balance as at 30 September 2024 is US\$ 1 million (31 March 2024: US\$ 1 million). The loan is unsecured in nature and carries an interest rate of 12.90% per annum. The said loan including accrued interest thereon have been fully provided for in the books of accounts.

***The Group has executed Power Delivery Agreements ("PDA") with Serentica group companies (Serentica Renewables India 1 Private Limited, Serentica Renewables India 3 Private Limited, Serentica Renewables India 4 Private Limited, Serentica Renewables India 5 Private Limited, Serentica Renewables India 6 Private Limited, Serentica Renewables India 7 Private Limited, Serentica Renewables India 8 Private Limited and Serentica Renewables India 9 Private Limited), which are associates of Vedanta Inc, for procuring renewable power over twenty five years from date of commissioning of the combined renewable energy power projects ("the Projects") on a group captive basis. These Serentica group companies were incorporated for building the Projects of approximately 1,826 MW (31 March 2024: 1,826). During the period ended 30 September 2024, the Group has invested US\$ 48 million (30 September 2024: US\$ 23 million) in Optionally Convertible Redeemable Preference shares ("OCRPS") of US\$ 1 (INR 10) each of Serentica group companies. These OCRPS will be converted into equity basis conversion terms of the PDA, resulting in Vedanta Group holding twenty six percent stake in its equity. As at 30 September 2024, total outstanding commitments related to PDA with Serentica Group Companies are US\$ 99 million (31 March 2024: US\$ 147 million).

13. Subsequent events

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

Other information:

Alternative performance measures

Introduction

Vedanta Group is committed to providing timely and clear information on financial and operational performance to investors, lenders and other external parties, in the form of annual reports, disclosures, RNS feeds and other communications. We regard high standards of disclosure as critical to business success.

Alternative Performance Measure (APM) is an evaluation metric of financial performance, financial position or cash flows that is not defined or specified under International Financial Reporting Standards (IFRS).

The APMs used by the group fall under two categories:

- *Financial APMs: These financial metrics are usually derived from financial statements, prepared in accordance with IFRS. Certain financials metrics cannot be directly derived from the financial statements as they contain additional information such as profit estimates or projections, impact of macro-economic factors and changes in regulatory environment on financial performance.*
- *Non-Financial APMs: These metrics incorporate non – financial information that management believes is useful in assessing the performance of the group.*

APMs are not uniformly defined by all the companies, including those in the Group's industry. APM's should be considered in addition to, and not a substitute for or as superior to, measures of financial performance, financial position or cash flows reported in accordance with IFRS.

Purpose

The Group uses APMs to improve comparability of information between reporting periods and business units, either by adjusting for uncontrollable or one-off factors which impacts upon IFRS measures or, by aggregating measures, to aid the user of the Annual Report in understanding the activity taking place across the Group's portfolio.

APMs are used to provide valuable insight to analysts and investors along with Generally Accepted Accounting Practices (GAAP). We believe these measures assist in providing a holistic view of the company's performance.

Alternative performance measures (APMs) are denoted by \diamond where applicable.

\diamond APM terminology*	Closest equivalent IFRS measure	Adjustments to reconcile to primary statements
EBITDA	Operating profit/(loss) before special items	Operating Profit/(Loss) before special items Add: Depreciation & Amortization
EBITDA margin (%)	No direct equivalent	EBITDA divided by Revenue
Adjusted revenue	Revenue	Revenue Less: revenue of custom smelting operations at our Copper business
Adjusted EBITDA	Operating profit/(loss) before special items	EBITDA Less: EBITDA of custom smelting operations at our Copper business
Adjusted EBITDA margin	No direct equivalent	Adjusted EBITDA divided by Adjusted Revenue
Underlying profit/(loss)	Attributable Profit/(loss) before special items	Attributable profit/(loss) before special items Less: NCI share in other gains/ (losses) (net of tax)

Project Capex	Expenditure on Property, Plant and Equipment (PPE)	Gross Addition to PPE Less: Gross disposals to PPE Add: Accumulated Depreciation on disposals Less: Decommissioning liability Less: Sustaining Capex
Free cash flow	Net cash flow from operating activities	Net Cash flow from operating activities Less: purchases of property, plant and equipment and intangibles less proceeds on disposal of property, plant and equipment Add: Dividend paid and dividend distribution tax paid Add/less: Other non-cash adjustments
Net debt*	Net debt is a Non-IFRS measure and represents total debt after fair value adjustments under IAS 32 and IFRS 9 as reduced by cash and cash equivalents, liquid investments and structured investment, net of the deferred consideration payable for such investments (referred as Financial asset investment net of related liabilities), if any.	No Adjustments
ROCE	No direct Equivalent	Not Applicable

ROCE for H1 FY2025 is calculated based on the working summarized below. The same method is used to calculate the ROCE for all previous years (stated at other places in the report).

Particulars	Period ended 30 September 2024
Operating Profit Before Special Items	3,499
Less: Cash Tax Outflow	599
Operating Profit before special Items less Tax outflow (a)	3,139
Opening Capital Employed (b)	11,537
Closing Capital Employed (c)	13,256
Average Capital Employed (d)= (a+b)/2	12,396
ROCE (a)/(d)	23%

Adjusted Revenue, EBITDA & EBITDA Margin for H1 FY 2025 is calculated based on the working summarised below. The same method is used to calculate the adjusted revenue and EBITDA for all previous years (stated at other places in the report).

Particulars	Period ended 30 September 2024
Revenue	8,668
Less: Revenue of Custom smelting operations	1,331
Adjusted Revenue(a)	7,337
EBITDA	2,600
Less: EBITDA of Custom smelting operations	(39)
Adjusted EBITDA(b)	2,639
Adjusted EBITDA Margin (b)/(a)	36%

GLOSSARY AND DEFINITIONS

Adapted Comparator Group

The new comparator group of companies used for the purpose of comparing TSR performance in relation to the LTIP, adopted by the Remuneration Committee on 1 February 2006 and replacing the previous comparator group comprising companies constituting the FTSE Worldwide Mining Index (excluding precious metals)

Adjusted EBITDA

Group EBITDA net of EBITDA from custom smelting operations at Copper business.

Adjusted EBITDA margin

EBITDA margin computed on the basis of Adjusted EBITDA and Adjusted Revenue as defined elsewhere

Adjusted Revenue

Group Revenue net of revenue from custom smelting operations at Copper business.

Aluminium Business

The aluminium business of the Group, comprising of its fully integrated bauxite mining, alumina refining and aluminium smelting operations in India, and trading through the Bharat Aluminium Company Limited and Jharsuguda Aluminium (a division of Vedanta Limited), in India

Articles of Association

The articles of association of Vedanta Resources Limited

Attributable Profit

Profit for the financial year before dividends attributable to the equity shareholders of Vedanta Resources Limited

BALCO

Bharat Aluminium Company Limited, a company incorporated in India.

BMM

Black Mountain Mining Pty

Board or Vedanta Board

The board of directors of the Company

Board Committees

The committees reporting to the Board: Audit, Remuneration, Nominations, and Sustainability, each with its own terms of reference

Businesses

The Aluminium Business, the Copper Business, the Zinc, lead, silver, Iron ore, Power and Oil & Gas Business together

Boepd

Barrels of oil equivalent per day

Bopd

Barrels of oil per day

Cairn India

Erstwhile Cairn India Limited and its subsidiaries

Capital Employed

Net assets before Net (Debt)/Cash

Capex

Capital expenditure

CEO

Chief executive officer

CFO

Chief Financial Officer

CII

Confederation of Indian Industries

CO₂

Carbon dioxide

COP

Cost of production

CMT

Copper Mines of Tasmania Pty Limited, a company incorporated in Australia

Company or Vedanta

Vedanta Resources Limited

Company financial statements

The audited financial statements for the Company for the year ended 30 September 2024 as defined in the Independent Auditors' Report on the individual Company Financial Statements to the members of Vedanta Resources Limited

Copper Business

The copper business of the Group, comprising:

- A copper smelter, two refineries and two copper rod plants in India, trading through Vedanta Limited, a company incorporated in India;
- One copper mine in Australia, trading through Copper Mines of Tasmania Pty Limited, a company incorporated in Australia; and
- An integrated operation in Zambia consisting of three mines, a leaching plant and a smelter, trading through Konkola Copper Mines Limited, a company incorporated in Zambia which is treated as discontinued operations and deconsolidated the same w.e.f 1st June'2019, affiliation with Zambian government is in progress.

Copper India

Copper Division of Vedanta Limited comprising of a copper smelter, two refineries and two copper rod plants in India.

Cents/lb

US cents per pound

CRRI

Central Road Research Institute

CRISIL

CRISIL Limited (A S&P Subsidiary) is a rating agency incorporated in India

CSR

Corporate social responsibility

CTC

Cost to company, the basic remuneration of executives, which represents an aggregate figure encompassing basic pay, pension contributions and allowances

CY

Calendar year

DDT

Dividend distribution tax

Deferred Shares

Deferred shares of £1.00 each in the Company

DFS

Detailed feasibility study

DGMS

Director General of Mine Safety in the Government of India

Directors

The Directors of the Company

DMF

District Mineral Fund

DMT

Dry metric tonne

Dollar or \$

United States Dollars, the currency of the United States of America

EAC

Expert advisory committee

EBITDA

EBITDA is a non-IFRS measure and represents earnings before special items, depreciation, amortisation, other gains and losses, interest and tax.

EBITDA Margin

EBITDA as a percentage of turnover

Economic Holdings or Economic Interest

The economic holdings/interest are derived by combining the Group's direct and indirect shareholdings in the operating companies. The Group's Economic Holdings/Interest is the basis on which the Attributable Profit and net assets are determined in the consolidated accounts

E&OHSAS

Environment and occupational health and safety assessment standards

E&OHS

Environment and occupational health and safety management system

ESOP

Employee share option plan

ESP

Electrostatic precipitator

Executive Committee

The Executive Committee to whom the Board has delegated operational management. It comprises of the Chief Executive Officer and the senior management of the Group

Executive Directors

The Executive Directors of the Company

Expansion Capital Expenditure

Capital expenditure that increases the Group's operating capacity

Financial Statements or Group financial statements

The consolidated financial statements for the Company and the Group for the year ended 30 September 2024 as defined in the Independent Auditor's Report to the members of Vedanta Resources Limited

Free Cash Flow

Net Cash flow from operating activities Less: purchases of property, plant and equipment and intangibles
Add proceeds on disposal of property, plant and equipment Add: Dividend paid and dividend distribution tax paid

Add/less: Other non-cash adjustments

FY

Financial year i.e. April to March.

GAAP, including UK GAAP

Generally Accepted Accounting Principles, the common set of accounting principles, standards and procedures that companies use to compile their financial statements in their respective local territories

GDP

Gross domestic product

Gearing

Net Debt as a percentage of Capital Employed

GJ

Giga joule

Government or Indian Government

The Government of the Republic of India

Gratuity

A defined contribution pension arrangement providing pension benefits consistent with Indian market practices

Group

The Company and its subsidiary undertakings and, where appropriate, its associate undertaking

Gross finance costs

Finance costs before capitalisation of borrowing costs

HIIP

Hydrocarbons initially-in place

HSE

Health, safety and environment

HZL

Hindustan Zinc Limited, a company incorporated in India

IAS

International Accounting Standards

IFRIC

IFRS Interpretations Committee

IFRS

International Financial Reporting Standards

INR

Indian Rupees

Interest cover

EBITDA divided by gross finance costs (including capitalised interest) excluding accretive interest on convertible bonds, unwinding of discount on provisions, interest on defined benefit arrangements less investment revenue

IPP

Independent power plant

Iron Ore Sesa

Iron ore Division of Vedanta Limited, comprising of Iron ore mines in Goa and Karnataka in India.

Jharsuguda Aluminium

Aluminium Division of Vedanta Limited, comprising of an aluminium refining and smelting facilities at Jharsuguda and Lanjigarh in Odisha in India.

KCM or Konkola Copper Mines

Konkola Copper Mines LIMITED, a company incorporated in Zambia

Key Result Areas or KRAs

For the purpose of the remuneration report, specific personal targets set as an incentive to achieve short-term goals for the purpose of awarding bonuses, thereby linking individual performance to corporate performance

KPIs

Key performance indicators

KTPA

Thousand tonnes per annum

Kwh

Kilo-watt hour

KBOEPD

Kilo barrel of oil equivalent per day

LIBOR

London inter bank offered rate

LIC

Life Insurance Corporation

LME

London Metals Exchange

London Stock Exchange

London Stock Exchange Limited

Lost time injury

An accident/injury forcing the employee/contractor to remain away from his/her work beyond the day of the accident

LTIFR

Lost time injury frequency rate: the number of lost time injuries per million man hours worked

LTIP

The Vedanta Resources Long-Term Incentive Plan or Long-Term Incentive Plan

MALCO

The Madras Aluminium Company Limited, a company incorporated in India

Management Assurance Services (MAS)

The function through which the Group's internal audit activities are managed

MAT

Minimum alternative tax

MBA

Mangala, Bhagyam, Aishwarya oil fields in Rajasthan

MIC

Metal in concentrate

MOEF

The Ministry of Environment, Forests and Climate change of the Government of the Republic of India

MMSCFD

Million standard cubic feet per day

MT or Tonnes

Metric tonnes

MU

Million Units

MW

Megawatts of electrical power

NCCBM

National Council of Cement and Building Materials

Net (Debt)/Cash

Net debt is a Non-IFRS measure and represents total debt after fair value adjustments under IAS 32 and IFRS 9 as reduced by cash and cash equivalents, liquid investments and structured investment, net of the deferred consideration payable for such investments (referred as Financial asset investment net of related liabilities), if any.

NGO

Non-governmental organisation

Non-executive Directors

The Non-Executive Directors of the Company

Oil & Gas business

Oil & Gas division of Vedanta Limited, is involved in the business of exploration, development and production of Oil & Gas.

OALP

Open Acreage licensing Policy

Ordinary Shares

Ordinary shares of 10 US cents each in the Company

ONGC

Oil and Natural Gas Corporation Limited, a company incorporated in India

OPEC

Organisation of the Petroleum Exporting Countries

PBT

Profit before tax

PPE

Property plant and equipment

Provident Fund

A defined contribution pension arrangement providing pension benefits consistent with Indian market practices

PSC

A “production sharing contract” by which the Government of India grants a license to a company or consortium of companies (the ‘Contractor’) to explore for and produce any hydrocarbons found within a specified area and for a specified period, incorporating specified obligations in respect of such activities and a mechanism to ensure an appropriate sharing of the profits arising there from (if any) between the Government and the Contractor.

PSP

The Vedanta Resources Performance Share Plan

Recycled water

Water released during mining or processing and then used in operational activities

Relationship Agreement

The agreement between the Company, Volcan Investments Limited and members of the Agarwal family which had originally been entered into at the time of the Company’s listing in 2003 and was subsequently amended in 2011 and 2014 to regulate the ongoing relationship between them, the principal purpose of which is to ensure that the Group is capable of carrying on business independently of Volcan, the Agarwal family and their associates.

Return on Capital Employed or ROCE

Operating profit before special items net of tax outflow, as a ratio of average capital employed

RO

Reverse osmosis

Senior Management Group

For the purpose of the remuneration report, the key operational and functional heads within the Group

SEWT

Sterlite Employee Welfare Trust, a long-term investment plan for Sterlite senior management

SHGs

Self help groups

SBU

Strategic Business Unit

STL

Sterlite Technologies Limited, a company incorporated in India

Special items

Items which derive from events and transactions that need to be disclosed separately by virtue of their size or nature

Sterling, GBP or £

The currency of the United Kingdom

Superannuation Fund

A defined contribution pension arrangement providing pension benefits consistent with Indian market practices

Sustaining Capital Expenditure

Capital expenditure to maintain the Group’s operating capacity

TCM

Thalanga Copper Mines Pty Limited, a company incorporated in Australia

TC/RC

Treatment charge/ refining charge being the terms used to set the smelting and refining costs

TGT

Tail gas treatment

TLP

Tail Leaching Plant

TPA

Metric tonnes per annum

TPM

Tonne per month

TSPL

Talwandi Sabo Power Limited, a company incorporated in India

TSR

Total shareholder return, being the movement in the Company's share price plus reinvested dividends

Twin Star

Twin Star Holdings Limited, a company incorporated in Mauritius

Twin Star Holdings Group

Twin Star and its subsidiaries and associated undertaking

US cents

United States cents

Underlying profit/ (loss)

Attributable profit/ (loss) before special items Less: NCI share in other gains/ (losses) (net of tax)

Vedanta Limited (formerly known as Sesa Sterlite Limited/ Sesa Goa Limited)

Vedanta Limited, a company incorporated in India engaged in the business of Oil & Gas exploration and production, copper smelting, Iron Ore mining, Alumina & Aluminium production and Energy generation.

VFJL

Vedanta Finance (Jersey) Limited, a company incorporated in Jersey

VGCB

Vizag General Cargo Berth Private Limited, a company incorporated in India

Volcan

Volcan Investments Limited, a company incorporated in the Bahamas

VRCL

Vedanta Resources Cyprus Limited, a company incorporated in Cyprus

VRFL

Vedanta Resources Finance Limited, a company incorporated in the United Kingdom

VRHL

Vedanta Resources Holdings Limited, a company incorporated in the United Kingdom

Water Used for Primary Activities

Total new or make-up water entering the operation and used for the operation's primary activities; primary activities are those in which the operation engages to produce its product

WBCSD

World Business Council for Sustainable Development

ZCI

Zambia Copper Investment Limited, a company incorporated in Bermuda

ZCCM

ZCCM Investments Holdings Limited, a company incorporated in Zambia

ZRA

Zambia Revenue Authority