

**INDEPENDENT AUDITOR'S REPORT**

To the Members of Vedanta Limited

**Report on the Audit of the Standalone Financial Statements****Opinion**

We have audited the standalone financial statements of Vedanta Limited ("the Company"), which comprise the Balance sheet as at March 31, 2026, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the Standalone financial statements, including a summary of material accounting policies and other explanatory information which includes 1 unincorporated Joint Operation.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit including other comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

**Emphasis of Matter**

We draw attention to

- a. Note 44 of the standalone financial statement regarding the approval of extension of Production Sharing Contract (PSC) for the Cambay Block (CB-OS/2) pending before Ministry of Petroleum & Natural Gas (MoPNG), and management's assessment thereof;
- b. Note 46 of the standalone financial statement, regarding allegations made during the year by a short seller, and ongoing matters for which information has been sought by regulators/authorities, and Management's assessment thereof/ responses thereto.

Our opinion is not modified in respect of these matters.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2026. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our



description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key audit matters	How our audit addressed the key audit matter
<b>Accounting and Disclosure for Scheme of Arrangement ("Scheme") for Demerger</b> (as described in Note 3(c)(A)(vi) and 45 of the Standalone financial statements)	
<p>During the current year, the Hon'ble NCLT vide its order dated 16 December 2025 has approved the Scheme for demerger of Aluminium undertaking (represented by the Aluminium segment), Oil and Gas undertaking (represented by the Oil and Gas segment) and Iron Ore undertaking (represented by Iron Ore segment) and order dated 9 January 2026 for demerger of Merchant Power Undertaking (represented by the Power segment) of the Company, both orders subjected to other requisite regulatory and Board of Director approvals.</p> <p>The aforesaid Scheme has been assessed as highly probable by the management in accordance with the criteria prescribed under Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" and accordingly, the proposed demerger of Aluminium undertaking, Oil and Gas undertaking, Iron Ore undertaking and Merchant Power Undertaking pursuant to the scheme has been accounted and disclosed as Discontinued Operations.</p> <p>The above transaction is a significant non-routine transaction and has been identified as a key audit matter due to:</p> <p>a) significant management judgment around determination of the Scheme being assessed as highly probable by the management in accordance with the criteria prescribed under Ind AS 105.</p> <p>b) significant management judgment around evaluation of giving effect to the Scheme in accordance to Ind AS- 103 "Business Combination", including:</p> <ul style="list-style-type: none"> <li>- satisfaction of substantive conditions post 31 March 2026</li> </ul>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>• Obtained and read the Scheme and orders passed by the Hon'ble National Company Law Tribunal to understand its key terms and conditions.</li> <li>• Understood the change in structure of the company from the management.</li> <li>• Evaluated the design and tested the operating effectiveness of select internal financial controls relevant for recording the impact of the Scheme and related disclosures.</li> <li>• Evaluated the basis of the management's assessment of treating the proposed demerger as Discontinued operations in accordance with the applicable accounting standards.</li> <li>• Obtained an update on the other regulatory communications in this respect and current status of the approval from such regulatory authorities.</li> <li>• Read the minutes of meeting of Board of Directors.</li> <li>• Tested the identification of specific assets and liabilities being disclosed as held for distribution and assessed the key estimates and judgement involved therein.</li> <li>• Identified indicators of impairment for assets and liabilities classified as held for distribution and where identified, tested the valuation by assessing the key assumptions used by management, which included: <ul style="list-style-type: none"> <li>- Assessment of management's forecasting accuracy of future cashflows by comparing prior year forecasts to actual results.</li> <li>- Assessed the reasonableness of allocation of borrowings to respective resulting companies upon expected effectiveness of the Scheme.</li> <li>- Assessment of capex considered and likelihood of timely implementation of expansion projects.</li> <li>- Assessment of the profitability of continuing operations and of discontinuing operations separately</li> </ul> </li> </ul>



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Key audit matters	How our audit addressed the key audit matter
<p>- waiver of any conditions by the Board of Directors to the extent permitted under Applicable Law; and</p> <p>c) significant management judgment and estimates which are sensitive to underlying assumptions such as forecast of future cash flows (including revised assessment of brand and strategic management fees), allocation of borrowings, utilization of tax assets, identification of all proceedings of any nature for each undertaking, etc. upon the scheme becoming effective.</p>	<p>by sensitivity assessment of underlying assumptions related to forecast of future cash flows.</p> <ul style="list-style-type: none"> <li>Assessed the disclosures made in this regard in the standalone financial statements.</li> </ul>
<p><b>Accounting and disclosure of related party transaction</b> (as described in note 39(M) of the Standalone financial statements)</p>	
<p>The Company has undertaken transactions with its intermediate holding company and its fellow subsidiaries, pertaining to payment of brand and strategic management fees.</p> <p>Accounting and disclosure of such related party transaction has been identified as a key audit matter due to:</p> <p>a) Significance of such related party transaction.</p> <p>b) Risk of such transaction being prejudicial to the interest of the company.</p> <p>c) Risk of material information relating to aforesaid transaction not getting disclosed in the financial statements.</p> <p>d) Increased industry focus of regulatory bodies on accounting and disclosure of related party transactions to be in compliance with applicable laws and accounting standards.</p>	<p>Our procedures included the following:</p> <ul style="list-style-type: none"> <li>Obtained and read the Company's policies, processes, and procedures in respect of identification of related parties in accordance with relevant laws and standards, obtaining approval, recording and disclosure of related party transactions and identified the key controls. For selected controls we have performed tests of controls.</li> <li>Tested such related party transaction and balance with the underlying contracts, confirmation letters and other supporting documents provided by the Company.</li> <li>Held discussions with Those Charged With Governance and examined the approvals of the audit committee and board of directors for the transaction.</li> <li>Obtained and assessed the benchmarking report issued by the experts engaged by the management.</li> <li>Assessed the competence and objectivity of the external experts.</li> <li>Involved internal transfer pricing experts to evaluate the arm's length pricing of the related party transaction.</li> <li>Held discussions and obtained representations from the management in relation to such transaction.</li> <li>Read the disclosures made in this regard in the financial statements and assessed whether relevant and material information have been disclosed.</li> </ul>
<p><b>Recoverability of carrying value of property plant and equipment, capital work in progress and exploration intangible assets under development, non-current investments, loans, and other assets presented as assets classified as held for distribution</b> (as described in note 3(a)(E), 3(a)(F)( ii), 3(c)(A)(i), 3(c)(A)(iii), 3(c)(A)(iv), 34(b) and 42 of the Standalone financial statements)</p>	
<p>As at March 31, 2026, the Company had significant amounts of property, plant and equipment, capital work in progress and exploration intangible assets under development which were carried at historical</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Obtained and read the Company's policies, processes, and procedures in respect of identification of impairment indicators, extraction of carrying values of</li> </ul>



Key audit matters	How our audit addressed the key audit matter
<p>cost less depreciation. We focused our efforts on (a) Cash Generating Unit (“CGU”) at Rajasthan block within the oil &amp; gas segment; (b) Investments made in Western Cluster Limited (WCL) in Liberia within the Iron Ore segment through the wholly owned subsidiary Bloom Fountain Limited, (c) Investment in and Loans and advances given to ESL Steel Limited and (d) Investment in and Loans given to Talwandi Sabo Power Limited (TSPL).</p> <p>Recoverability of property plant and equipment, capital work in progress and exploration intangible assets under development, non-current investments, loans and other financial assets has been identified as a key audit matter due to:</p> <ul style="list-style-type: none"> <li>• the significance of the carrying value of assets being assessed.</li> <li>• significant estimates involved due to inherent uncertainty of future profitability, future cash flow forecasts, price, capex, production forecasts and the weighted average cost of capital.</li> <li>• significant estimates from changes in production forecasts due to adjustments in the future reserve and resource estimates.</li> <li>• actual cashflows of ESL and WCL were lower than the projected performance.</li> <li>• uncertainty around obtaining Forest clearance from Ministry of Environment, Forest and Climate Change (MoEFCC) and its impact on expansion plans of ESL Steel Limited.</li> <li>• significant judgement from uncertainty around initiation of Magnetite plant at WCL.</li> <li>• significant judgement of PSC License extension up to 2040 for Rajasthan Block</li> <li>• receipt of Supreme Court Order on dispute with Punjab State Power Corporation Limited with respect to Mega Power benefit matter and consequent notice for Late Payment Surcharge in current year and its impact on future cashflow.</li> </ul>	<p>the respective CGU from underlying books and records, recording and disclosure of impairment charge / (reversal) and identified key controls. For selected controls we have performed tests of controls.</p> <ul style="list-style-type: none"> <li>• Assessed through an analysis of internal and external factors impacting the Company, whether there were any indicators of impairment in line with Ind AS 36 and Ind AS 109.</li> <li>• In relation to the (a) CGU at Rajasthan block within the oil &amp; gas segment; (b) Western Cluster Limited (WCL) in Liberia within the Iron Ore segment for evaluating recoverability of the Investments made in WCL through the wholly owned subsidiary Bloom Fountain Limited (c) Investment in and Loans and advances given to ESL Steel Limited and (d) Investment in and Loans given to Talwandi Sabo Power Limited (TSPL), where impairment charge indicators were identified, obtained and evaluated the valuation methodology used to determine the recoverable amount by assessing the key assumptions used by management, which included:             <ul style="list-style-type: none"> <li>- Assessment of management’s forecasting accuracy by comparing prior year forecasts to actual results and assessment of the potential impact of any variances.</li> <li>- Corroboration of metal, power and brent price assumptions used in the models against analyst consensus report and assessment of reasonableness of costs.</li> <li>- Assessment of impact from change in management plan with respect to initiation of Magnetite plant at WCL.</li> <li>- Evaluated management’s assessment on likelihood of obtaining PSC License extension up to 2040 for Rajasthan Block in Oil &amp; Gas segment.</li> <li>- Comparison of the production forecasts used in the impairment tests with management’s external expert’s report on reserves &amp; resources.</li> <li>- Assessment of reserves and resources estimation methods and policies and read reports provided by management’s external/ internal reserves experts.</li> <li>- Obtained independent external lawyer confirmation for evaluation of the Environment impact assessment and developments in obtaining appropriate Forest Clearance from MoEFCC for ESL Steel Limited.</li> <li>- Assessment of the competence, capability and objectivity of experts/ lawyer engaged by management through understanding their relevant professional qualifications and experience.</li> <li>- Assessment of impact in forecasted cashflows on account of receipt of adverse Supreme Court Order on revenue and notice for Late Payment Surcharge.</li> <li>- Assessment of the weighted average cost of capital used to discount the impairment models.</li> </ul> </li> </ul>



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Key audit matters	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> <li>- Test of the mathematical accuracy of the models.</li> <li>- Involvement of valuation experts to assist in performance of the above procedures and in assessment of fair valuation of underlying assets.</li> <li>• Assessed the disclosures made by the Company in this regard.</li> </ul>
<p><b>Claims and exposures relating to taxation and litigation</b> (as described in note 3(a)(F)(ii), 3(a)(N), 3(c)(B)(i), 8(c), 38D and 43 of the Standalone financial statements)</p>	
<p>The Company is subject to a large number of tax and legal disputes, including DGH Arbitration matter (also refer KAM on Recoverability of carrying value of property plant and equipment, capital work in progress and exploration intangible assets under development, non-current investments, loans and other financial assets), Disputed power receivables from GRIDCO, vendor arbitrations, income tax disallowances and various indirect tax disputes which have been disclosed / provided for in the financial statements based on the facts and circumstances of each case. Taxation and litigation exposures have been identified as a key audit matter due to the complexities involved in these matters, time involved for resolution and the potential financial impact of these on the financial statements. Further, significant management judgement is involved in assessing the exposure of each case and thus a higher risk involved on adequacy of provision or disclosure of such cases.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of the process of identification of claims, litigations, and its classification as probable, possible or remote and identified key controls in the process. For selected controls we have performed tests of controls.</li> <li>• Obtained the summary of Company's legal and tax cases and assessed management's position through discussions with the Legal Counsel, Head of Tax and operational management, on both the probability of success in significant cases and the magnitude of any potential loss.</li> <li>• Examined the underlying power purchase agreements in respect of the disputed power receivables.</li> <li>• Assessed the relevant state regulatory commission, appellate tribunal and court rulings.</li> <li>• Obtained and assessed the model prepared by the management for computation of expected credit loss on the disputed receivables, including testing of key assumptions.</li> <li>• Tested arithmetical accuracy of the models prepared by the management.</li> <li>• Obtained independent external lawyer confirmations for select cases.</li> <li>• Examined external legal opinions (where considered necessary) and other evidence to corroborate management's assessment of the risk profile in respect of legal claims and assessed management's position through discussions with the management's in-house legal team to determine the basis of their conclusion.</li> <li>• Evaluated the merits of the grounds of DGH appeal to high court against Tribunal award including examining legal opinions on the aforesaid matters.</li> <li>• Assessed the competence and objectivity of the Company's experts.</li> <li>• Involved experts to technically appraise the tax positions taken by management with respect to income tax and indirect tax matters.</li> <li>• Assessed whether management assessment of similar cases is consistent across the divisions and subsidiaries and with the positions taken in earlier periods or that differences in positions are adequately justified.</li> </ul>



Key audit matters	How our audit addressed the key audit matter
	<ul style="list-style-type: none"><li>Assessed the relevant disclosures made within the financial statements and whether they reflect the facts and circumstances of the respective tax and legal exposures and the requirements of relevant accounting standards.</li></ul>

We have determined that there are no other key audit matters to communicate in our report.

### Information Other than the Financial Statements and Auditor's Report Thereon

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

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Management and Those Charged with Governance for the standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Charged with Governance are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an



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audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Other Matter

We did not audit the financial statements and other financial information, in respect of an unincorporated joint operation not operated by the Company, whose financial statements include total assets of ₹110 Crore as at 31 March 2026, total revenues of ₹125 Crore, net loss after tax of ₹ 2 Crore and total comprehensive loss of ₹ 2 Crore for the year ended 31 March 2026, and net cash inflows of Nil for the year ended 31 March 2026. These financial statements and other financial information of the said unincorporated joint



operations have not been audited by other auditors, whose unaudited financial statements, other unaudited financial information have been furnished to us by the management. Our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of these unincorporated joint operations and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid unincorporated joint operation, is based solely on the unaudited information furnished to us by the management. Our opinion is not modified in respect of this matter.

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, also refer note h(vi) below;
  - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account ;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 3(a)(N), 3(c)(B)(i), 8(c), 38D and 43 to the standalone financial statements;
    - ii. The Company did not have any material foreseeable losses, on long-term contracts including derivative contracts;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company;



# **S.R. BATLIBOI & Co. LLP**

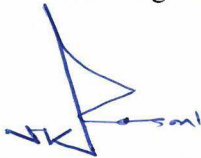
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- iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act.
- vi. Based on our examination which included test checks, the Company has used two accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software (refer Note 48 to the financial statements). Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of relevant prior years has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years, as stated in Note 48 to the financial statements.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



**per Vikas Pansari**

Partner

Membership Number: 093649

UDIN: 26093649XPRMGO8598

Place of Signature: Mumbai, Maharashtra

Date: April 29, 2026



**Annexure-1 referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date**

Re: Vedanta Limited

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) Property, Plant and Equipment have been physically verified by the management in accordance with a planned programme of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets, except for Property, Plant and Equipment located at Tuticorin Plant amounting to ₹ 410 Crore due to suspension of operations since April 2018 (refer Note 3(c)(A)(ii)). No material discrepancies were noticed on such verification.
- (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company except for the title deeds of immovable properties as per table below

Particulars	Gross carrying value in ₹ Crore	Held in the name of	Whether promoter, director or their relative or employee	Period held since	Reason for not being held in name of company
Land	53	Erstwhile Company Sterlite Industries (India) Limited that merged with the Company	No	1965-2012	The title deeds are in the names of erstwhile Companies that merged with the Company under Section 391 to 394 of the Companies Act, 1956 pursuant to Schemes of Amalgamation and Arrangement as approved by the Honourable High Courts.
ROU Land	50	Erstwhile Company Sterlite Industries (India) Limited that merged with the Company	No	1993-2009	
Land	20	Erstwhile Company Vedanta Aluminium Limited that merged with the Company	No	2008-2012	
Land & Building	2,026	Oil and Natural Gas Corporation Limited & Cairn India Limited (now a division of the company)	No	10 April 2009	The title deeds of Oil & Gas exploration blocks are jointly owned by the JV partners and are in the name of ONGC the licensee of these exploration blocks

The original title deeds amounting to ₹ 68 Crore pertaining to immovable properties have been pledged with lenders, which have been confirmed by the lenders/trustees.



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- (d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2026.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory has been physically verified by the management during the year except for inventories aggregating ₹ 104 Crore lying at Tuticorin plant which is under suspension (refer note 3(c)(A)(ii)) and inventories lying with third parties amounting to ₹ 2,072 Crore. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at March 31, 2026 and no discrepancies were noticed in respect of such confirmations. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such verification.
- (b) As disclosed in note 17B to the financial statements, the Company has been sanctioned working capital limits in excess of ₹ 5 Crores in aggregate from banks and financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the audited books of accounts of the Company.
- (iii) (a) During the year, the Company has provided loans, stood guarantee and provided security to companies as follows:

Particulars (In ₹ Crores)	Loans	Guarantees	Security
Aggregate amount granted/ provided during the year*			
Subsidiaries	2,916	3,721	6,856
Employees' Trust	387	-	-
Balance outstanding as at balance sheet date (including opening balances)			
Subsidiaries	3,498	15,253	14,351
Ultimate parent company	-	115	-
Employees' Trust	368	-	-

\*does not include loans mentioned in clause iii(e) below

The Company has not provided any advances in the nature of loans during the year.

- (b) During the year the investments made, guarantees provided, and the terms and conditions of the grant of all loans and guarantees provided to companies or any other party are not prejudicial to the Company's interest. The Company has not given any security and has not granted any advances in nature of loans during the year.
- (c) The Company has granted loans during the year to its wholly owned subsidiaries where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular. The Company has not granted any advances in nature of loans during the year.
- (d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.
- (e) During the year, the Company had renewed loans to its subsidiaries to settle the loans which had fallen due during the year. The aggregate amount of such dues renewed by fresh loans and the percentage of the aggregate to the total loans or advances in the nature of loans granted during the year are as follows:



# S.R. BATLIBOI & Co. LLP

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Name of the parties	Aggregate amount of loans or advances in the nature of loans granted during the year (in ₹ Crore)*	Aggregate overdue amount settled by renewal or extension or by fresh loans granted to same parties (in ₹ Crore)	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
ESL Steel Limited (ESL)	1,841	560	30%
Talwandi Sabo Power Limited (TSPL)	869	200	23%
Malco Energy Limited (MEL)	738	501	68%
Sesa Mining Corporation Limited (SMCL)	428	45	11%
Ferro Alloy Corporation Limited (FACOR)	240	100	42%
Vizag General Cargo Berth Private limited (VGCB)	13	13	100%

*\*loan renewed/ extended is considered as new loan granted during the year for the purpose of reporting under this clause*

- (f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- (iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 of the Companies Act, 2013 are applicable and hence not commented upon. Loans, investments, guarantees and security in respect of which provisions of Section 186 of the Companies Act, 2013 are applicable have been complied with by the Company.
- (v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits during the year. However, in regard to the unclaimed deposits, the Company has complied with the provisions of Sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this regard.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of goods and generation of electricity, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, value added tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed dues in respect of goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, value added tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable.



# **S.R. BATLIBOI & Co. LLP**

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- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute as listed in Appendix-1 at the end of this report.
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) Term loans were applied for the purpose for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, the Company has used funds raised on short-term basis in the form of working capital aggregating to ₹ 6,478 Crore for long-term purposes primarily representing acquisition of property plant and equipment.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment or private placement of shares/ fully or partially or optionally convertible debentures respectively during the year. The funds raised, have been used for the purposes for which the funds were raised.
- (xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor and secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.
- (xii) The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), (b) & (c) of the Order is not applicable to the Company.
- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.



# **S.R. BATLIBOI & Co. LLP**

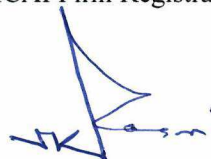
Chartered Accountants

- (xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a), (b), (c) & (d) of the Order is not applicable to the Company.
- (xvii) The Company has not incurred cash losses in the current financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the financial ratios disclosed in note 41 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 40 (a) to the financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of the Act. This matter has been disclosed in note 40 (a) to the financial statements.

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



per Vikas Pansari

Partner

Membership Number: 093649

UDIN: 26093649XPRMGO8598

Place of Signature: Mumbai, Maharashtra

Date: April 29, 2026



# S.R. BATLIBOI & Co. LLP

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## Appendix – 1

S.No.	Name of the Statute	Nature of dues	Amount in ₹ Crores*	Financial Year to which the amount relates	Forum where the dispute is pending
1	Andhra Pradesh VAT Act/Central Sales tax Act	Excess value mentioned in C form by buyer due to wrong exchange rate considered, accordingly officer assessed excess value.	0.11	2012-2015	Dy. Commissioner Appeals/Tribunal
2	Central Excise Act, 1944	Cess Demand - Excess quantity of Crude Oil	0.04	June 02 to Aug 03	Appellate Tribunal, Central Excise and Service Tax
3	Central Excise Act, 1944	Penalty for Non payment of NCCD in time	0.40	Nov 07 to Jul 08	Additional Commissioner, Central Excise and Service Tax
4	Central Excise Act, 1944	Demand of Edu.Cess & Hr. Sec. Cess on Oil Cess	49.45	Dec'13 to Feb'15	CESTAT/ Supreme court
5	Central Excise Act, 1944	Excise Duty	86.73	2017-18	Assistant Commissioner, GST & Central Excise, Rayagada Division
6	Central Excise Act, 1944	Excise Duty	48.90	2017-18 and 2018-19	CESTAT, Kolkata
7	Central Excise Act, 1944	Excise duty	3.26	1997-2010	Commissioner of Central Excise /Jt.Commissioner
8	Central Excise Act, 1944	Excise duty	66.01	1997-98 to 2012-13	Custom Excise Service Tax Appellate Tribunal
9	Central Excise Act, 1944	Excise duty	4.53	2000-2006	High Court
10	Central Excise Act, 1944	Excise duty	6.95	FY 2009-13	Commissioner, Bhubaneswar
11	Central Sales Tax,1956	Demand of CST	0.03	FY 2016-17	Assistant Commissioner
12	Central Sales Tax,1956	Demand of CST	0.10	FY 2014-15	Assistant Commissioner
13	Central Sales Tax,1956	Demand of CST	0.00	FY 2019-20	Assistant CTO
14	Central Sales Tax,1956	Demand of CST	0.01	2020-21	Chief Tax Officer, Vishakhapatnam (Ravva Block)
15	Central Sales Tax,1956	Demand of CST	0.11	2020-21	Chief Tax Officer, Vishakhapatnam (KG Block)
16	Central Sales Tax,1956	Sales Tax	5.95	Oct'15 to Jun'17	Deputy Commissioner, CT & GST circle, Jharsuguda
17	Central Sales Tax,1956	Sales Tax	0.45	2014-15	Commercial tax board, Rajasthan
18	Central Sales Tax,1956	Sales Tax	2.09	98-99(CST)	High Court



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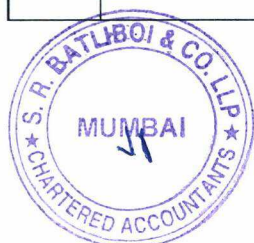
S.No.	Name of the Statute	Nature of dues	Amount in ₹ Crores*	Financial Year to which the amount relates	Forum where the dispute is pending
19	Central Sales Tax,1956	Sales Tax	14.42	2007-08 to 2014-15	Tamil Nadu Sales tax Tribunal
20	Central Sales Tax,1956	Sales tax	6.20	FY 2013-14,15-16,16-17.17,18	Additional Commissioner of Commercial Tax, Goa
21	Central Sales Tax,1956	Sales tax	5.47	FY 2014-15	Additional Commissioner of Sales Tax (Appeal)
21	Central Sales Tax,1956	Sales tax	0.45	FY 2009-10	Goa VAT Tribunal
22	Central Sales Tax,1956	Sales tax	2.18	FY 2009-10	Karnataka High Court
23	Central Sales Tax,1956	Sales tax	1.39	FY 2008-12	VAT Tribunal, Odisha
24	Central Sales Tax,1956	Sales tax	269.02	2005-2010	Supreme Court
25	Customs Act, 1962	IGST exemption on preimport	53.17	2017-18	CESTAT, Chennai
26	Customs Act, 1962	Customs duty on exports	20.50	FY 2010-11	CESTAT, Kolkata
27	Customs Act, 1962	Customs duty on exports	1.43	FY 2010-11	CESTAT, Mumbai
28	Customs Act, 1962	Customs duty on exports	0.34	FY 2018	Supreme Court
29	Customs Act, 1962	Customs duty on exports	108.50	FY 2022-23	Assistant Commissioner, Krishnapatnam
30	Customs Act, 1962	Custom Duty	0.18	1996-97, 2005-10, 2015	Supreme Court
31	Customs Act, 1962	Custom Duty	47.34	2005-06 to 2006-07	High Court
32	Customs Act, 1962	Custom Duty	130.94	2004-05 to 2012-13	Custom Excise Service Tax Appellate Tribunal
33	Customs Act, 1962	Custom Duty	26.25	2004-05 to 2009-10 and 2013-14 and 2019-20	Commissioner of Customs
34	Customs Act, 1962	Duty on re-import of Components	0.43	2012-2014	CESTATE, Ahemdabad
35	Customs Act, 1962	Customs Duty	1.05	2012-13 to 2016-17	CESTAT, Hyderabad
36	Customs Act, 1962	Benefits of Nil rate of BCD, SWS and concessional rate of IGST	2.52	2021-22 & 2022-23	CESTAT, Chennai
37	Customs Act, 1962	Customs Duty	6.43	2012-13	Commissioner, Appeals, Adjudicating Authority, Visakhapatnam
38	Customs Act, 1962	Customs Duty	1.50	2014-15	CESTAT, Hyderabad
39	Customs Act, 1962	Customs Duty	2.74	2008-09	High Court, Hydrabad
40	Customs Act, 1962	Customs Duty	0.89	2015-16 to 2019-20	CESTAT, Kolkata
41	Customs Act, 1962	Customs Duty	3.77		Commissioner, Customs (Preventive), Bhubaneshwar



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S.No.	Name of the Statute	Nature of dues	Amount in ₹ Crores*	Financial Year to which the amount relates	Forum where the dispute is pending
42	Customs Act, 1962	Customs duty on exports	54.65	FY 2015-16 to FY 2019-25	Assistant Commissioner, (Import Assessment) Customs House, Marmagoa, Goa
43	Customs Act, 1962	Customs duty on exports	0.26	2025-26	Commissioner (Appeals), Panaji, Goa
44	Energy Cess	Energy Cess	38.28	2014-19	High Court of Orissa
45	Orissa Entry Tax Act, 1999	Entry Tax	239.97	Apr'07 to June'17	High Court of Orissa
46	Orissa Entry Tax Act, 1999	Entry Tax	169.35	2007-08 to 2012-13	High Court of Orissa
47	Orissa Entry Tax Act, 1999	Entry Tax	0.93	18th Aug'13-Mar'31, 2015	Additional commi. of commercial taxes, Sambalpur
48	Orissa Entry Tax Act, 1999	Entry Tax	26.36	Oct'15 to Jun'17	Deputy Commissioner, CT & GST circle, Jharsuguda
49	Finance Act, 1994	Service Tax	47.64	2004-05 to 2012-13	Central Excise Service Tax Appellate Tribunal
50	Finance Act, 1994	Service tax	27.84	FY 2015-2016 to FY 2016-18	Assistant Commissioner (Central Tax) Audit, Bengaluru
51	Finance Act, 1994	Service tax	5.54	FY 2009-10	CESTAT, Bengaluru
52	Finance Act, 1994	Service tax	23.44	FY 2016-17	High Court, Goa
53	Finance Act, 1994	Service tax	18.49	FY 2016-17	Directorate General of Goods & Service Tax Intelligence, Goa Unit
54	Finance Act, 1994	Service tax no paid on Import of services	23.24	2006-2015	Central Excise and Service Tax Appellate Tribunal
55	Finance Act, 1994	Service Tax	109.13	2011-2015	CESTAT, Kolkata
56	Finance Act, 1994	Service Tax	1.73	2012-13 to 2015-16	CESTAT, Kolkata
57	Finance Act, 1994	Service Tax	7.68	2015-16	CESTAT, Kolkata
58	Finance Act, 1994	Service Tax	5.44	2016-17 and 2017-18 (Till June 30, 2017)	CESTAT, Kolkata
59	Finance Act, 1994	Service Tax	0.25	Oct'15 to Nov'16	Commissioner (A), Bhubneshwar
60	Finance Act, 1994	Service Tax	0.50	April'16 to June'17	CESTAT, Kolkata
61	Finance Act, 1994	Service Tax	6.76	Oct 2016 to Mar 2017, 2017-18 (upto June 2017).	CESTAT, Kolkata
62	Finance Act, 1994	Service tax	0.06	FY 2015-16 to FY 2017-18	Assistant Commissioner (Central Tax) Davangere



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S.No.	Name of the Statute	Nature of dues	Amount in ₹ Crores*	Financial Year to which the amount relates	Forum where the dispute is pending
63	Foreign Development Tax & Foreign Development Fund	Forest Development tax	674.28	FY 2008 to till date	Supreme Court
64	Goa Cess on Products and Substances Causing Pollution (Green Cess) Act, 2013	Green Cess	51.31	FY 2013 to till date	High court of Bombay at Goa.
65	Goa Rural Improvement & Welfare Cess Act,2000	Transportation Cess	95.00	FY 2010 to till date	Supreme Court & High court of Bombay at Goa.
66	Goods and Service tax , 2017	GST	33.59	Jun-17	Office of Superintendent, Jharsuguda
67	Goods and Service tax , 2017	GST	53.58	July 2017 to November 2020	Additional Commissioner of Central Tax, GST & Central Excise, Rourkela Commissionerate, Rourkela
68	Goods and Service tax , 2017	GST	370.57	2018-19 to 2020-21	Officer of Commissioner, GST & Central Excise, Rourkela
69	Goods and Service tax , 2017	GST	3.43	Trans 1	The Deputy Commissioner, GST & Central Excise, Jharsuguda Division
70	Goods and Service tax , 2017	GST	13.34	2017-18	The Commissioner, GST & Central Excise, Rourkela
71	Goods and Service tax , 2017	GST	10.68	2017-18 to 2021-22	Appelate authority
72	Goods and Service tax , 2017	Wrongly availed and utilized ITC	1.49	2018-19, 2019-20 and 2021-22	Joint Commissioner, CGST & CE, Ahmedabad
73	Goods and Service tax , 2017	GST	119.49	2017-18 to 2019-20	DGGI
74	Goods and Service tax , 2017	GST	18.60	2019-20 & 2017-18	Commercial Tax Department, Bangalore
75	Goods and Service tax , 2017	GST	0.40	2019-20	Commissionerate of Taxes, Gujarat
76	Goods and Service tax , 2017	GST	8.24	2019-20 & 2020-21	Commercial Tax Department, Goa
77	Goods and Service tax , 2017	GST	3.80	FY 2018-19	HC of Karnataka
78	Goods and Service tax , 2017	GST	126.48	FY 2018-19, 2019-20, 2020-21, 2021-22, 2022-23	Officer of Commissioner, GST & Central Excise, Rourkela



# S.R. BATLIBOI & Co. LLP

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S.No.	Name of the Statute	Nature of dues	Amount in ₹ Crores*	Financial Year to which the amount relates	Forum where the dispute is pending
79	Goods and Service tax , 2017	GST	15.01	2020-21	JCCT Jharsuguda
80	Goods and Service tax , 2017	GST	11.06	2024-25	Commissioner (Appeals), CGST & Customs
81	Goods and Service tax , 2017	GST	3.53	2025-26	The Office of the Joint Commissioner, GST & Central Excise, Rourkela.
82	Goods and Service tax , 2017	GST	11.72	2021-22	Joint Commissioner of State Tax, CT & GST Circle, Jharsuguda
83	Gujrat VAT Act/Central Sales tax Act	Demand of Vat	0.03	FY 15-16	THE JOINT COMMISSIONER OF STATE TAX,
84	Income tax Act, 1961	Income tax	289.10	2008-09 to 2013-14	Commissioner of Income Tax (Appeals)
85	Income tax Act, 1961	Income tax	709.86	2007-08 to 2011-12, 2019-20	High Court
86	Income tax Act, 1961	Income tax	135.96	2004-05 to 2009-10	Income Tax Appellate Tribunal
87	Income tax Act, 1961	Income tax	217.39	2007-08	Supreme Court
88	Income tax Act, 1961	Income Tax	476.88	AY 2008-09, AY 2009-10, AY 2010-11 & AY 2011-12	Commissioner of Income Tax (Appeals)
89	Income tax Act, 1961	Income Tax	30.35	1999-00, 2008-09, 2009-10	Not applicable as application filed for rectification
90	Income tax Act, 1961	Income Tax	185.67	2008-09, 2015-16	Commissioner of Income Tax (Appeals)
91	Income tax Act, 1961	Income Tax	4,804.91	2002-03, 2004-05, 2005-06, 2006-07, 2007-08, 2008-09, 2014-15, 2021-22	Income Tax Appellate Tribunal
92	Income tax Act, 1961	Income Tax	462.91	2011-12, 2012-13, 2013-14	High Court
93	Income tax Act, 1961	Income tax	122.98	2010-11	Dispute Resolution Panel
94	MMRDA	Royalty	110.16	FY 2013-14	Department of Mines & Geology
95	MMRDA	Forest lease rent	0.08	FY 2009	HC of Karnataka
96	Railways Act 1971 and wagon investment scheme	Stacking and Warfare charge	4.09	FY 2010	High Court Of Calcutta
97	Rajasthan VAT Act	Demand of Vat	0.01	FY 2019-20	Assistant CTO
98	Value Added Tax Act, 2006	Value Added Tax	158.84	2012-13 , 2013-14 & 2014-15,	Odisha, High Court



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S.No.	Name of the Statute	Nature of dues	Amount in ₹ Crores*	Financial Year to which the amount relates	Forum where the dispute is pending
				2015-16, 2016-17	
99	Value Added Tax Act, 2006	Value Added Tax	1.89	2004-16	Additional Commissioner, Sales Tax, Cuttack.
100	Value Added Tax Act, 2006	Value Added Tax	5.64	2014-15	Orissa High Court
101	Value Added Tax Act, 2006	Value Added Tax	0.50	2012-13	Odisha, High Court
102	Value Added Tax Act, 2006	Value Added Tax	0.34	October 2015 to June 2017	Deputy Commissioner, CT & GST circle, Jharsuguda
103	Value Added Tax Act, 2006	Value Added Tax	0.32	1998-99 to 2014-15	High Court
104	Value Added Tax Act, 2006	Value Added Tax	12.21	2007-08 to 2014-15	Commissioner

*\*Net of amounts paid under protest/ adjusted against refunds.*



**ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF Vedanta Limited**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls with reference to standalone financial statements of Vedanta Limited ("the Company") as of March 31, 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on {the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

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

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

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

**Meaning of Internal Financial Controls With Reference to these standalone Financial Statements**

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in



# **S.R. BATLIBOI & Co. LLP**

Chartered Accountants

accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls With Reference to standalone Financial Statements**

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

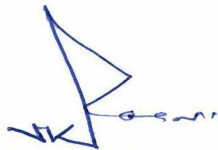
## **Opinion**

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2026, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005



**per Vikas Pansari**

Partner

Membership Number: 093649

UDIN: 26093649XPRMGO8598

Place of Signature: Mumbai, Maharashtra

Date: April 29, 2026



**Vedanta Limited**  
**Balance Sheet as at 31 March 2026**

(₹ in Crore)

Particulars	Note	As at 31 March 2026	As at 31 March 2025
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, Plant and Equipment	5	894	43,953
Capital work-in-progress	5	150	11,588
Intangible assets	5	15	1,118
Exploration intangible assets under development	5	49	2,617
<b>Financial assets</b>			
Investments	6A	49,174	65,088
Loans	7	33	1,886
Trade receivables	8	-	634
Derivatives	22	90	-
Others	9	21	2,075
Deferred tax assets (net)	35	140	-
Income tax assets (net)	35	1,005	1,245
Other non-current assets	10	438	2,493
<b>Total non-current assets</b>		<b>52,009</b>	<b>132,697</b>
<b>Current assets</b>			
Inventories	11	2,580	8,359
<b>Financial assets</b>			
Investments	6B	745	1,678
Trade receivables	8	881	2,004
Cash and cash equivalents	12	237	2,622
Other bank balances	13	2,235	1,262
Loans	7	600	786
Derivatives	22	284	305
Others	9	365	7,016
Income tax assets (net)		43	72
Other current assets	10	1,200	3,189
<b>Total current assets</b>		<b>9,170</b>	<b>27,293</b>
<b>Assets classified as held for distribution</b>	45	<b>116,201</b>	-
<b>Total Assets</b>		<b>177,380</b>	<b>159,990</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	14	391	391
Other equity	15	77,658	75,008
<b>Total Equity</b>		<b>78,049</b>	<b>75,399</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	17A	9,222	29,724
Lease liabilities	21	4	205
Derivatives	22	60	46
Provisions	24	1	1,360
Deferred tax liabilities (net)	35	-	3,168
Other non-current liabilities	23	8	3,335
<b>Total non-current liabilities</b>		<b>9,295</b>	<b>37,838</b>
<b>Current Liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	17B	1,426	13,097
Lease liabilities	21	4	251
Operational buyers' credit / suppliers' credit	19	4,766	13,315
Trade payables	18		
(a) Total outstanding dues of micro and small enterprises		10	188
(b) Total outstanding dues of creditors other than micro and small enterprises		3,343	5,023
Derivatives	22	24	200
Other financial liabilities	20	2,648	10,194
Other current liabilities	23	470	3,760
Provisions	24	7	124
Income tax liabilities (net)		996	601
<b>Total current liabilities</b>		<b>13,694</b>	<b>46,753</b>
<b>Liabilities directly associated with the assets held for distribution</b>	45	<b>76,342</b>	-
<b>Total Equity and Liabilities</b>		<b>177,380</b>	<b>159,990</b>

See accompanying notes to the financial statements  
As per our report of even date

For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No. 301003E/E300005

per **Vikas Pansari**  
Partner  
Membership No: 093649  
Place: Mumbai



Date: 29 April 2026

For and on behalf of the Board of Directors

**Nitin Agarwal**  
Executive Vice - Chairman and  
Whole-Time Director  
DIN 00006303  
Place: Mumbai

**Ajay Goel**  
Chief Financial Officer  
PAN AEAPG8383C  
Place: Mumbai

Date: 29 April 2026

**Arun Misra**  
Executive Director  
(Whole-Time Director)  
DIN 01835605  
Place: Mumbai

**Prerna Malwasiya**  
Company Secretary and  
Compliance Officer  
ICSI Membership No. A20856  
Place: New Delhi


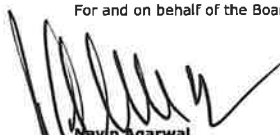





Vedanta Limited  
Statement of Profit and Loss for the year ended 31 March 2026

(₹ in Crore, except otherwise stated)

Particulars	Note	Year ended 31 March 2026	Year ended 31 March 2025
<b>Continuing Operations:</b>			
<b>Revenue from operations</b>			
Revenue	28	22,999	16,760
Other operating income	29	1,253	705
<b>Total revenue from operations</b>		<b>24,252</b>	<b>17,465</b>
Other income	30	3,219	8,726
<b>Total Income</b>		<b>27,471</b>	<b>26,191</b>
<b>Expenses</b>			
Cost of materials consumed		21,513	16,542
Purchases of stock-in-trade		323	-
Changes in inventories of finished goods, work-in-progress and stock-in-trade	31	24	(742)
Power and fuel charges		197	184
Employee benefit expense	26	140	141
Finance costs	32	1,515	1,961
Depreciation, depletion and amortisation expense	5	38	35
Other expenses	33	2,206	1,566
<b>Total expenses</b>		<b>25,957</b>	<b>19,687</b>
<b>Profit before exceptional items and tax</b>		<b>1,514</b>	<b>6,504</b>
Net exceptional gain	34	4,439	2,106
<b>Profit before tax</b>		<b>5,954</b>	<b>8,610</b>
<b>Tax expense/ (benefit):</b>	35		
<b>Other than exceptional items</b>			
Net current tax benefit		(310)	(342)
Net deferred tax expense		37	51
<b>Exceptional items</b>			
Net deferred tax benefit		(1)	-
<b>Net tax benefit</b>		<b>(274)</b>	<b>(291)</b>
<b>Net profit after tax from continuing operations</b>		<b>6,227</b>	<b>8,901</b>
<b>Discontinued Operations:</b>			
Profit before exceptional items and tax	45	16,500	10,600
Net exceptional (loss)/ gain	34	(1,279)	799
Net tax expense	35	3,723	2,372
<b>Net profit after tax from discontinued operations</b>		<b>11,498</b>	<b>9,027</b>
<b>Net profit after tax (A)</b>		<b>17,726</b>	<b>17,928</b>
<b>Net profit after tax before exceptional items (net of tax)</b>		<b>14,439</b>	<b>15,172</b>
<b>Other comprehensive income/ (loss) from continuing operations</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurements gain/ (loss) of defined benefit plans		2	(1)
Tax benefit		-	1
Gain/ (loss) on FVOCI equity investment		52	(16)
		<b>54</b>	<b>(16)</b>
<b>Items that will be reclassified to profit or loss</b>			
Net (loss)/ gain on cash flow hedges recognised during the year		(28)	22
Tax benefit/ (expense)		7	(5)
Net (loss)/ gain on cash flow hedges recycled to statement of profit and loss		(23)	7
Tax benefit/ (expense)		6	(2)
		<b>(38)</b>	<b>22</b>



Vedanta Limited Statement of Profit and Loss for the year ended 31 March 2026			
(₹ in Crore, except otherwise stated)			
Particulars	Note	Year ended 31 March 2026	Year ended 31 March 2025
<b>Other comprehensive income / (expense) from discontinued operations</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurements loss of defined benefit plans		(14)	(7)
Tax benefit		4	3
		<b>(10)</b>	<b>(4)</b>
<b>Items that will be reclassified to profit or loss</b>			
Net (loss)/ gain on cash flow hedges recognised during the year		(3,788)	525
Tax benefit/ (expense)		953	(132)
Net gain/ (loss) on cash flow hedges recycled to statement of profit and loss		319	(304)
Tax (expense)/ benefit		(80)	76
Exchange differences on translation		613	162
Tax benefit		63	15
		<b>(1,920)</b>	<b>342</b>
<b>Total other comprehensive (loss)/ income, net of tax (B)</b>		<b>(1,914)</b>	<b>345</b>
<b>Total comprehensive income, net of tax (A+B)</b>		<b>15,812</b>	<b>18,273</b>
<b>Earnings per equity share</b>			
Nominal value per share: ₹1 (31 March 2025: ₹1)	36		
<b>Earnings per equity share for continuing operations (₹):</b>			
- Basic & Diluted	36	15.93	23.10
<b>Earnings per equity share for discontinued operations (₹):</b>			
- Basic & Diluted	36	29.41	23.43
<b>Earnings per equity share for continuing and discontinued operations (₹):</b>			
- Basic & Diluted	36	45.34	46.53
See accompanying notes to the financial statements As per our report of even date			
<p>For <b>S.R. Batliboi &amp; Co. LLP</b> Chartered Accountants ICAI Firm Registration No. 301003E/E300005</p>  <p>per <b>Vikas Pansari</b> Partner Membership No: 093649 Place: Mumbai</p> <p>Date: 29 April 2026</p>		<p>For and on behalf of the Board of Directors</p>  <p><b>Navin Agarwal</b> Executive Vice – Chairman and Whole-Time Director DIN 00006303 Place: Mumbai</p>  <p><b>Ajay Goel</b> Chief Financial Officer PAN AEAPG8383C Place: Mumbai</p> <p>Date: 29 April 2026</p>	
		 <p><b>Arun Misra</b> Executive Director (Whole-Time Director) DIN 01835605 Place: Mumbai</p>  <p><b>Prerna Halwaniya</b> Company Secretary and Compliance Officer ICSI Membership No.A20856 Place: New Delhi</p>	



Vedanta Limited		
Statement of Cash Flows for the year ended 31 March 2026		
	(₹ in Crore)	
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax from continuing operations	5,954	8,610
Profit before tax from discontinued operations	15,221	11,399
<b>Profit before tax from continuing and discontinued operations</b>	<b>21,175</b>	<b>20,009</b>
<b>Adjustments for:</b>		
Depreciation, depletion and amortisation	2,976	4,073
Impairment (reversal)/ charge on property, plant and equipment/ Capital work-in-progress (CWIP)/ Other assets written off (net) (Refer note 34)	1,202	(696)
Reversal of impairment on investments (Refer note 34)	-	(200)
Other exceptional items (Refer note 34)	80	97
Allowance of impairment on financial and non-financial assets/ bad debts written off	601	307
Liabilities written back	(261)	(108)
Exploration costs written off	1,252	455
Fair Value gain on financial assets held at fair value through profit or loss	(155)	(169)
Net gain on sale of long term investment in subsidiary (Refer note 34)	(4,442)	(2,106)
Loss on sale/ discard of property, plant and equipment	46	44
Foreign exchange loss (net)	185	45
Unwinding of discount on decommissioning liability	61	54
Share based payment expense	21	27
Interest income	(1,099)	(1,222)
Dividend income from subsidiaries and affiliates	(4,584)	(9,944)
Interest expense	5,472	6,269
Amortization of Deferred government grant	(87)	(82)
<b>Changes in Working Capital</b>		
(Increase)/ decrease in trade and other receivables	(2,011)	2,978
Increase in inventories	(785)	(1,482)
Decrease in trade and other payables	(346)	(4,220)
(Decrease)/ increase in operational buyers' credit/ suppliers' credit	(3,147)	1,243
<b>Cash generated from operations</b>	<b>16,154</b>	<b>15,372</b>
Income taxes (paid)/ refunds (net)	(1,842)	1,639
<b>Net cash generated from operating activities</b>	<b>14,312</b>	<b>17,011</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Investment made in subsidiaries (Refer note 39)	(2,256)	(5,254)
Purchases of property, plant and equipment (including intangibles, CWIP, capital advances and capital creditors)	(7,811)	(6,051)
Proceeds from sale of property, plant and equipment	69	208
Loans given to related parties (Refer note 39)	(2,780)	(2,465)
Loans repaid by related parties (Refer note 39)	1,841	892
Deposits made	(12,505)	(30,967)
Proceeds from redemption of deposits	10,382	29,776
Short term investments made	(69,367)	(69,650)
Proceeds from sale of short-term investments	68,914	68,342
Interest received	974	1,164
Dividends received	4,584	9,944
Payment made to site restoration fund	(356)	(112)
Purchase of long term investments (Refer note 39)	(120)	(189)
Proceeds from sale of long term investments in subsidiary (Refer note 3(d)(ii))	6,292	3,134
<b>Net cash used in investing activities</b>	<b>(2,139)</b>	<b>(1,228)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issue of ordinary shares (Refer note 14 (c))	-	8,500
Payment of share issue expenses	-	(66)
Repayment of short-term borrowings (net)	1,350	(195)
Proceeds from current borrowings	4,795	895
Repayment of current borrowings	(5,457)	(96)
Proceeds from long-term borrowings	22,063	11,853
Repayment of long-term borrowings	(13,926)	(12,787)
Interest paid	(5,818)	(6,512)
Borrowings from related parties (Refer note 39)	-	2,321
Borrowings repaid to related parties (Refer note 39)	(627)	(1,600)
Payment of dividends to equity holders of the Company	(13,279)	(16,772)
Principal payment of lease liabilities	(180)	(153)
Interest payment of lease liabilities	(54)	(37)
<b>Net cash used in financing activities</b>	<b>(11,133)</b>	<b>(14,649)</b>
Effect of exchange rate changes on cash and cash equivalents	22	-
<b>Net increase in cash and cash equivalents</b>	<b>1,062</b>	<b>1,134</b>
Cash and cash equivalents at the beginning of the year	2,622	1,488
<b>Cash and cash equivalents at the end of the year (Refer note 12 and note 45)</b>	<b>3,684</b>	<b>2,622</b>



**Vedanta Limited**  
**Statement of Cash Flows for the year ended 31 March 2026**

**Notes :**

1. The figures in parentheses indicate outflow.
2. The above cash flow has been prepared under the "Indirect Method" as set out in Indian Accounting Standard (Ind AS) 7 - Statement of Cash Flows.
3. Net cash used in investing activities primarily excludes non-cash transactions such as fair valuation of investments, payable for capital projects, foreign exchange gain/loss and acquisition of right of use assets (Refer note 5) etc.
4. Cashflows relating to discontinued operations included above are set out in note 45.

See accompanying notes to the financial statements  
As per our report of even date


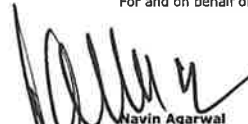
For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No: 301003E/E300005



per **Vikas Pansari**  
Partner  
Membership No: 093649  
Place: Mumbai

Date: 29 April 2026

For and on behalf of the Board of Directors



**Navin Agarwal**  
Executive Vice -  
Chairman  
and Whole-Time Director  
DIN 00006303  
Place: Mumbai

**Arun Misra**  
Executive Director  
(Whole-Time Director)  
DIN 01835605  
Place: Mumbai



**Ajay Goel**  
Chief Financial Officer  
PAN AEAPG8383C  
Place: Mumbai



**Prerna Harwastya**  
Company Secretary and  
Compliance Officer  
ICSI Membership  
No. A20856  
Place: New Delhi

Date: 29 April 2026



Vedanta Limited Statement of Changes in Equity for the year ended 31 March 2026									
A. Equity Share Capital									
Equity shares of ₹ 1 each issued, subscribed and fully paid*									
Particulars	Nos (in Crore)		(₹ in Crore)						
<b>As at 01 April 2024</b>			372						372
Changes during the year (Refer note 14 (c))			19						19
<b>As at 31 March 2025</b>			391						391
<b>As at 01 April 2025</b>			391						391
Changes during the year			-						-
<b>As at 31 March 2026</b>			391						391
*There are no prior period errors for the years ended 31 March 2025 and 31 March 2024.									
B. Other Equity									
Particulars	Reserves and Surplus			Items of Other comprehensive income			Total other equity		
	Capital reserve	Securities premium	Retained earnings	Other reserves (Refer below)	Equity instruments through OCI	Hedging reserve		Foreign currency translation reserve	
<b>Balance as at 01 April 2024</b>	26,027	19,009	1,504	15,929	54	(37)	2,678	65,164	
Profit for the year	-	-	17,928	-	-	-	-	17,928	
Other comprehensive income/ (expense) for the year, net of tax	-	-	(5)	-	(15)	187	177	344	
<b>Total comprehensive income for the year</b>	-	-	17,923	-	(15)	187	177	18,272	
Recognition of securities premium on Qualified Institutions Placement ("QIP") (Refer note 14 (c))	-	8,481	-	-	-	-	-	8,481	
Share issue expenses in relation to Qualified Institutions Placement ("QIP")	-	(66)	-	-	-	-	-	(66)	
Recognition of share based payment	-	-	-	60	-	-	-	60	
Exercise of stock options	-	-	(48)	(83)	-	-	-	(131)	
Dividends (Refer note 37)	-	-	(16,772)	-	-	-	-	(16,772)	
<b>Balance as at 31 March 2025</b>	26,027	27,424	2,607	15,906	39	150	2,855	75,008	
Profit for the year	-	-	17,726	-	-	-	-	17,726	
Other comprehensive income/ (expense) for the year, net of tax	-	-	(8)	-	52	(2,634)	676	(1,914)	
<b>Total comprehensive income for the year</b>	-	-	17,718	-	52	(2,634)	676	15,812	
Recognition of share based payment*	-	-	-	232	-	-	-	232	
Exercise of stock options	-	-	(38)	(77)	-	-	-	(115)	
Dividends (Refer note 37)	-	-	(13,279)	-	-	-	-	(13,279)	
<b>Balance as at 31 March 2026</b>	26,027	27,424	7,009	16,061	91	(2,484)	3,531	77,659	



**Vedanta Limited**  
**Statement of Changes in Equity for the year ended 31 March 2026**

(₹ in Crore)

Particulars	Capital redemption reserve	Preference share redemption reserve	Amalgamation Reserve	General reserve	Share Based Payment Reserve	Total
<b>Balance as at 01 April 2024</b>	<b>38</b>	<b>3,087</b>	<b>3</b>	<b>12,587</b>	<b>214</b>	<b>15,929</b>
Recognition of share based payment	-	-	-	-	60	60
Exercise of stock options	-	-	-	-	(83)	(83)
<b>Balance as at 31 March 2025</b>	<b>38</b>	<b>3,087</b>	<b>3</b>	<b>12,587</b>	<b>191</b>	<b>15,906</b>
Recognition of share based payment*	-	-	-	-	232	232
Exercise of stock options	-	-	-	-	(77)	(77)
<b>Balance as at 31 March 2026</b>	<b>38</b>	<b>3,087</b>	<b>3</b>	<b>12,587</b>	<b>346</b>	<b>16,061</b>

\* During the year, pursuant to the acquisition of equity shares of the Company by Vedanta ESOS Trust for allotment of shares under ESOS 2016 Scheme to employees of the Group, an incremental amount of ₹ 177 Crore, arising due to an increase in the market price of such shares, was reimbursed by the subsidiaries to Vedanta Limited. For other details on ESOS 2016 Scheme, refer Note 27.



**Vedanta Limited**  
**Statement of Changes in Equity for the year ended 31 March 2026**

See accompanying notes to the financial statements

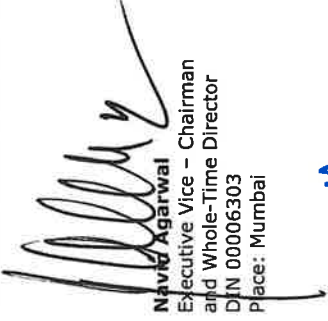
As per our report of even date —

For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No: 301003E/E3000005



per **Vikas Pansari**  
Partner  
Membership No: 093649  
Place: Mumbai

For and on behalf of the Board of Directors



**Navin Agarwal**  
Executive Vice – Chairman  
and Whole-Time Director  
DIN 00006303  
Place: Mumbai



**Ajay Goel**  
Chief Financial Officer  
PAN AEAPG8383C  
Place: Mumbai



**Arun Misra**  
Executive Director  
(Whole-Time Director)  
DIN 01835605  
Place: Mumbai



**Purna Halwasiya**  
Company Secretary and  
Compliance Officer  
ICSI Membership No.A20856  
Place: New Delhi

Date: 29 April 2025



Date: 29 April 2026



**Vedanta Limited**  
**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

**1 Company overview:**

Vedanta Limited ("the Company") (CIN: L13209MH1965PLC291394) is a diversified natural resource company engaged in exploring, extracting and processing minerals and oil and gas. The Company engages in the exploration, production and sale of oil and gas, aluminium, copper, iron ore and power.

The Company was incorporated on 08 September 1975 under the laws of the Republic of India. The registered office of the Company is situated at 1st Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai-400093, Maharashtra. The Company's shares are listed on National Stock Exchange ("NSE") and Bombay Stock Exchange ("BSE") in India. In June 2007, the Company completed its initial public offering of American Depositary Shares, or ADS, each representing four equity shares, and listed its ADSs on the New York Stock Exchange ("NYSE").

The ADSs of the Company have been delisted from NYSE effective close of trading on NYSE on 08 November 2021. The Company has been deregistered from SEC under the Exchange Act effective 01 March 2023.

The Company is majority owned by Twin Star Holdings Limited ("Twin Star"), Vedanta Holdings Mauritius II Limited ("VHM2L"), Vedanta Holdings Mauritius Limited ("VHML"), Welter Trading Limited ("Welter") and Vedanta Netherlands Investments BV ("VNI BV") which are in turn wholly-owned subsidiaries of Vedanta Resources Limited ("VRL"), a company incorporated in the United Kingdom. VRL, through its subsidiaries, held 56.38% (31 March 2025: 56.38%) of the Company's equity as at 31 March 2026.

Details of Company's various businesses are as follows:

**Continuing Operations:**

• The Company's copper business owned and operated by the Company, Fujairah Gold FZC and Thalanga Copper Mines ("TCM"), is principally one of custom smelting and includes captive power plants at Tuticorin in Southern India. A more detailed update on facilities at Tuticorin is given in note 3(c)(A)(ii).

Further, the Company's copper business includes refinery and rod plant in Silvassa consisting of blister/ secondary material processing plant, a 222,000 TPA copper tank house plant and a copper rod mill with an installed capacity of 258,000 TPA. The plant continues to operate as usual, catering to the domestic market.

Besides the above, the Company has business interest in zinc, lead, silver, ferro alloys, semiconductor, display and other products and services through its subsidiaries in India and overseas.

**Discontinued Operations:**

• The Company's oil and gas business consists of business of exploration, development and production of oil and gas.

• The Company's aluminium business include a refinery and captive power plant at Lanjigarh, smelters and captive power plants at Jharsuguda and coal mines at Jamkhani, all situated in the State of Odisha in Eastern India.

• The Company's iron ore business consists of exploration, mining and processing of iron ore, pig iron and metallurgical coke and generation of power for captive use. Pursuant to the Honourable Supreme Court of India order, mining operations in the state of Goa were suspended. During the year ended 31 March 2024, the Company received environment clearance from Ministry of Environment, Forest and Climate Change ("MoEFCC") and Consent to Operate ("CTO") from Goa State Pollution Board followed by commencement of Bicholim mining operations in March 2024 and the same is operational during the year. During the previous year ended 31 March 2025, the Company received environment clearance from Ministry of Environment, Forest and Climate Change ("MoEFCC") for Cudnem mines Block VII and the other approvals are under process.

During the year ended 31 March 2026, in relation to Cudnem mines we have received CTE by Goa State pollution control board, Mining plan approved by IBM. Forest Clearance stage-1 is under progress.

• The Company's power operations include a thermal coal-based commercial power facility of 600 MW at Jharsuguda in the State of Odisha in Eastern India and a 1,200 MW (two units of 600 MW each) thermal coal-based power plant in the State of Chhattisgarh in Eastern India.

Besides the above, the Company has business interest in iron ore, steel and other products and services through its subsidiaries in India and overseas.

These are the Company's separate financial statements.

**2 Basis of preparation and basis of measurement of financial statements**

**(a) Basis of preparation**

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, presentation requirement of Division II of schedule III and other relevant provisions of the Companies Act, 2013 ("the Act") (as amended from time to time), guidelines issued by the Securities and Exchange Board of India ("SEBI") and Guidance Note on Accounting for Oil and Gas Producing Activities issued by the Institute of Chartered Accountants of India.

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

The Company has identified 12 months as its operating cycle for the classification of assets and liabilities into current and non-current.

These financial statements are approved for issue by the Board of Directors on 29 April 2026. The revision to these financial statements is permitted by the Board of Directors after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

All financial information presented in Indian Rupee has been rounded off to the nearest Crore except when indicated otherwise. Amounts less than ₹ 0.50 Crore have been presented as "0".

The financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and liabilities which are measured at fair value as explained in the accounting policies below.

The Company has availed long term debt (Refer Notes 17A and 17B). In the unlikely event, VRL (together with its subsidiaries) ceases to hold more than 50.1% stake in the Company, ₹ 48,301 Crore of the Company's outstanding long-term debt would become repayable on demand. Management basis assessment of free cash flows, its ability to refinance existing debt and other strategic initiatives, considers the same as remote.

By virtue of the Scheme of demerger of the company, the management has also considered its free cash flow projections and other strategic initiatives in a post demerger scenario and believe the Company would continue as a going concern and will remain compliant with applicable covenants.



3 a) Material accounting policies

(A) (i) Revenue recognition

• Sale of goods/rendering of services (including revenue from contracts with customers)

The Company's revenue from contracts with customers is mainly from the sale of oil and gas, aluminium, copper, iron ore and power. Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer as per terms of contract, which usually is on delivery of the goods to the shipping agent at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is recognised net of discounts, volume rebates, outgoing sales taxes/ goods and service tax and other indirect taxes. Revenues from sale of by-products are included in revenue.

Certain of the Company's sales contracts provide for provisional pricing based on the price on the London Metal Exchange (LME) and crude index, as specified in the contract. Revenue in respect of such contracts is recognised when control passes to the customer and is measured at the amount the entity expects to be entitled – being the estimate of the price expected to be received at the end of the measurement period. Post transfer of control of goods, provisional pricing features are accounted in accordance with Ind AS 109 'Financial Instruments' rather than Ind AS 115 Revenue from contracts with customers and therefore the Ind AS 115 rules on variable consideration do not apply. These 'provisional pricing' adjustments, i.e., the consideration adjusted post transfer of control are included in total revenue from operations on the face of the statement of profit and loss and disclosed by way of note to the financial statements. Final settlement of the price is based on the applicable price for a specified future period. The Company's provisionally priced sales are marked to market using the relevant forward prices for the future period specified in the contract and is adjusted in revenue.

Revenue from oil, gas and condensate sales represent the Company's share in the revenue from sale of such products, by the joint operations, and is recognised as and when control in these products gets transferred to the customers. In computing its share of revenue, the Company excludes government's share of profit oil which gets accounted for when the obligation in respect of the same arises.

Revenue from sale of power is recognised when delivered and measured based on rates as per bilateral contractual agreements with buyers and at a rate arrived at based on the principles laid down under the relevant Tariff Regulations as notified by the regulatory bodies, as applicable.

• Contract Liability

If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is received. The advance payments received plus a specified rate of return/ discount, at the prevailing market rates, is settled by supplying respective goods over a period of up to twenty four months under an agreed delivery schedule as per the terms of the respective agreements. As these are contracts that the Company expects, and has the ability, to fulfil through delivery of a non-financial item, these are presented as advance from customers and are recognised as revenue as and when control of respective commodities is transferred to customers under the agreements. The fixed rate of return/ discount is treated as finance cost. The portion of the advance where either the Company does not have a unilateral right to defer settlement beyond 12 months or expects settlement within 12 months from the balance sheet date is classified as a current liability.

• Trade receivables

A receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in note 3 (F)(i).

(A) (ii) Other income

• Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportion basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

• Dividends

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

(B) Property, plant and equipment

i) Mining properties and leases

When a decision is taken that a mining property is viable for commercial production (i.e., when the Company determines that the mining property will provide sufficient and sustainable return relative to the risks and the Company decided to proceed with the mine development), all further pre-production primary development expenditure other than that on land, buildings, plant, equipment and capital work in progress is capitalised as property, plant and equipment under the heading "Mining properties and leases" together with any amount transferred from "Exploration and evaluation" assets. The costs of mining properties and leases, include the costs of acquiring and developing mining properties.

The stripping costs incurred during the production phase of a surface mine is deferred to the extent the current period stripping cost exceeds the average period stripping cost over the life of mine and recognised as an asset if such cost provides a benefit in terms of improved access to ore in future periods and certain criteria are met. When the benefit from the stripping costs are realised in the current period, the stripping costs are accounted for as the cost of inventory. If the costs of inventory produced and the stripping activity asset are not separately identifiable, a relevant production measure is used to allocate the production stripping costs between the inventory produced and the stripping activity asset. The Company uses the expected volume of waste compared with the actual volume of waste extracted for a given value of ore/mineral production for the purpose of determining the cost of the stripping activity asset.

Deferred stripping costs are included in mining properties within property, plant and equipment and disclosed as a part of mining properties. After initial recognition, the stripping activity asset is depreciated on a unit of production method over the expected useful life of the identified component of the ore body.

In circumstances where a mining property is abandoned, the cumulative capitalised costs relating to the property are written off in the period in which it occurs, i.e., when the Company determines that the mining property will not provide sufficient and sustainable returns relative to the risks and the Company decides not to proceed with the mine development.

Commercial reserves are proved and probable reserves as defined by the 'JORC' Code, 'MORC' code or 'SAMREC' Code. Changes in the commercial reserves affecting unit of production calculations are dealt with prospectively over the revised remaining reserves.



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**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

**ii) Oil and gas assets- (developing/producing assets)**

For oil and gas assets, a "successful efforts" based accounting policy is followed. Costs incurred prior to obtaining the legal rights to explore an area are expensed immediately to the statement of profit and loss.

All costs incurred after the technical feasibility and commercial viability of producing hydrocarbons has been demonstrated are capitalised within property, plant and equipment - development/producing assets on a field-by-field basis. Subsequent expenditure is capitalised only where it either enhances the economic benefits of the development/producing asset or replaces part of the existing development/producing asset. Any remaining costs associated with the part replaced are expensed.

Net proceeds from any disposal of development/producing assets are credited against the previously capitalised cost. A gain or loss on disposal of a development/producing asset is recognised in the statement of profit and loss to the extent that the net proceeds exceed or are less than the appropriate portion of the net capitalised costs of the asset.

**iii) Other property, plant and equipment**

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use. It also includes the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located.

Subsequently, property plant and equipment is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset or disposal. Gains and losses on disposal of an item of property, plant and equipment is included in the statement of profit and loss when the asset is derecognised. Major inspection and overhaul expenditure is capitalized, if the recognition criteria are met.

**iv) Assets under construction**

Assets under construction are capitalised in the assets under construction account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised until the period of commissioning has been completed and the asset is ready for its intended use.

Capital work in progress is carried at cost less accumulated impairment losses, if any.

**v) Depreciation, depletion and amortisation expense**

Mining properties and other assets in the course of development or construction and freehold land are not depreciated or amortised.

**• Mining properties**

The capitalised mining properties are amortised on a unit-of-production basis over the total estimated remaining commercial proved and probable reserves of each property or group of properties and are subject to impairment review. Costs used in the unit of production calculation comprise the net book value of capitalised costs plus the estimated future capital expenditure required to access the commercial reserves. Changes in the estimates of commercial reserves or future capital expenditure are dealt with prospectively.

**• Oil and gas producing facilities**

All expenditures carried within each field are amortised from the commencement of production on a unit of production basis, which is the ratio of oil and gas production in the period to the estimated quantities of depletable reserves at the end of the period plus the production in the period, generally on a field-by-field basis or group of fields which are reliant on common infrastructure.

Depletable reserves are proved reserves for acquisition costs and proved and developed reserves for successful exploratory wells, development wells, processing facilities, distribution assets, estimated future abandonment cost and all other related costs. These assets are depleted within each cost centre. Reserves for this purpose are considered on working interest basis which are reassessed atleast annually. Impact of changes to reserves are accounted for prospectively.

**• Other assets**

Depreciation on other property, plant and equipment is calculated using the straight-line method (SLM) to allocate their cost, net of their residual values, over their estimated useful lives (determined by the management) as given below.

Management's assessment takes into account, inter alia, the nature of the assets, the estimated usage of the assets, the operating conditions of the assets, past history of replacement and maintenance support.

Estimated useful lives of assets are as follows:

Asset	Useful Life (in years)
Buildings (Residential, factory etc.)	3-60
Plant and equipment	6-40
Railway siding	15
Office equipment	3-6
Furniture and fixture	8-10
Vehicles	8-10

Major inspection and overhaul costs are depreciated over the estimated life of the economic benefit to be derived from such costs. The carrying amount of the remaining previous overhaul cost is charged to the statement of profit and loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

The Company reviews the residual value and useful life of an asset at least at each financial year-end. The Company considers climate-related matters, including physical and transition risks in its assessment of expected useful lives and estimated residual values. If expectations differ from previous estimates, the change is accounted for as a change in accounting estimate.



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During the previous year ended 31 March 2025, the Company reassessed the useful life of a certain category of assets included in plant and equipment and accordingly revised the estimate of its useful life in respect of pot relining assets from 5 years to 6.5 years and for alumina refinery assets from 15-25 years to 25-30 years in aluminium segment. This change was based on several factors, primary being the anticipated usage of these assets in future years. As a result of this reassessment, the depreciation and amortization expense for the year ended 31 March 2026 and 31 March 2025 decreased by ₹ 388 Crore and ₹ 231 Crore respectively.

**(C) Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Subsequently, intangible assets are measured at cost less accumulated amortisation and accumulated impairment losses, if any.

Mining rights include the cost incurred for mines such as stamp duty, registration fees and other such costs together with cost incurred on development of mining rights and other related cost of mines transferred from "Exploration intangible assets under development".

Intangible assets are amortised over their estimated useful life on a straight line basis. Software is amortised over the estimated useful life ranging from 2-5 years. Amounts paid for securing mining rights are amortised over the period of the mining lease ranging from 16-25 years.

Gains or losses arising from derecognition of an intangible asset are recognised in the statement of profit and loss when the asset is derecognised.

The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is different from previous estimates, the change is accounted for prospectively as a change in accounting estimate.

**(D) Exploration and evaluation intangible assets**

Exploration and evaluation expenditure incurred prior to obtaining the mining right or the legal right to explore are expensed as incurred.

Exploration and evaluation expenditure incurred after obtaining the mining right or the legal right to explore are capitalised as exploration and evaluation assets (intangible assets) and stated at cost less impairment, if any. Exploration and evaluation intangible assets are transferred to the appropriate category of property, plant and equipment when the technical feasibility and commercial viability has been determined. Exploration intangible assets under development are assessed for impairment and impairment loss, if any, is recognised prior to reclassification.

Exploration expenditure includes all direct and allocated indirect expenditure associated with finding specific mineral resources which includes depreciation and applicable operating costs of related support equipment and facilities and other costs of exploration activities:

- Acquisition costs - costs associated with acquisition of licenses and rights to explore, including related professional fees.
- General exploration costs - costs of surveys and studies, rights of access to properties to conduct those studies (e.g., costs incurred for environment clearance, defence clearance, etc.), and salaries and other expenses of geologists, geophysical crews and other personnel conducting those studies.
- Costs of exploration drilling and equipping exploration and appraisal wells.  
Exploration expenditure incurred in the process of determining oil and gas exploration targets is capitalised within "Exploration and evaluation assets" (intangible assets) and subsequently allocated to drilling activities. Exploration drilling costs are initially capitalised on a well-by-well basis until the success or otherwise of the well has been established. The success or failure of each exploration effort is judged on a well-by-well basis. Drilling costs are written off on completion of a well unless the results indicate that hydrocarbon reserves exist and there is a reasonable prospect that these reserves are commercial.

Following appraisal of successful exploration wells, if commercial reserves are established and technical feasibility for extraction demonstrated, then the related capitalised exploration costs are transferred into a single field cost centre within property, plant and equipment - development/producing assets (oil and gas properties) after testing for impairment. Where results of exploration drilling indicate the presence of hydrocarbons which are ultimately not considered commercially viable, all related costs are written off to the statement of profit and loss.

Expenditure incurred on the acquisition of a license interest is initially capitalised on a license-by-license basis. Costs are held, undepleted, within exploration and evaluation assets until such time as the exploration phase on the license area is complete or commercial reserves have been discovered.

Net proceeds from any disposal of an exploration asset are initially credited against the previously capitalised costs. Any surplus/ deficit is recognised in the statement of profit and loss.

**(E) Impairment of non-financial assets**

Impairment charges and reversals are assessed at the level of cash-generating units.

The Company assesses at each reporting date, whether there is an indication that an asset (including investments in subsidiaries) may be impaired. The Company conducts an internal review of asset values annually, which is used as a source of information to assess for any indications of impairment or reversal of previously recognised impairment losses. Internal and external factors, such as worse economic performance than expected, changes in expected future prices, costs and other market factors are also monitored to assess for indications of impairment or reversal of previously recognised impairment losses.

If any such indication exists then an impairment review is undertaken and the recoverable amount is calculated, as the higher of fair value less costs of disposal and the asset's value in use.

Fair value less costs of disposal is the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors that may be specific to the company and not applicable to entities in general. Fair value for mineral and oil and gas assets is generally determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset, including any expansion prospects, and its eventual disposal, using assumptions that an independent market participant may take into account. These cash flows are discounted at an appropriate post tax discount rate to arrive at the net present value.

Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal. The cash flows are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. Value in use is determined by applying assumptions specific to the Company's continued use and cannot take into account future development. These assumptions are different to those used in calculating fair value and consequently the value in use calculation is likely to give a different result to a fair value calculation. The Company assesses whether climate risks, including physical risks and transition risks could have a significant impact. If so, these risks are included in the cash-flow forecasts in assessing value in use amounts.

The carrying amount of the CGU is determined on a basis consistent with the way the recoverable amount of the CGU is determined.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit and loss.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.



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**Exploration and evaluation assets:**

In assessing whether there is any indication that an exploration and evaluation asset may be impaired, the Company considers, as a minimum, the following indicators:

- the period for which the Company has the right to explore in the specific area has expired during the period or will expire in the near future, and is not expected to be renewed;
- substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned;
- exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the Company has decided to discontinue such activities in the specific area;
- sufficient data exist to indicate that, although a development in the specific area is likely to proceed, the carrying amount of the exploration and evaluation asset is unlikely to be recovered in full from successful development or by sale; and
- reserve information prepared annually by external experts.

When a potential impairment is identified, an assessment is performed for each area of interest in conjunction with the group of operating assets (representing a cash-generating unit) to which the exploration and evaluation assets is attributed. Exploration areas in which reserves have been discovered but require major capital expenditure before production can begin, are continually evaluated to ensure that commercial quantities of reserves exist or to ensure that additional exploration work is underway or planned. To the extent that capitalised expenditure is no longer expected to be recovered, it is charged to the statement of profit and loss.

**(F) Financial instruments**

**(i) Financial assets – recognition and subsequent measurement**

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Trade receivables that do not contain a significant financing component are measured at transaction price as per Ind AS 115.

For purposes of subsequent measurement, financial assets are classified in three categories:

**Financial assets at amortised cost**

A financial asset is measured at amortised cost, if both of the following conditions are met:

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, financial assets meeting these criteria are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method.

The Company's financial assets at amortised cost include trade receivables, loans, cash and cash equivalents, other bank balances and other financial assets such as bank deposits and site restoration assets.

**Financial assets at fair value through other comprehensive income (FVOCI)**

Debt instruments are measured at FVOCI by the Company if both of the following conditions are met:

- Debt Instruments are held within a business model whose objective is to hold asset in order to collect contractual cash flows and selling assets; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments meeting these criteria are included within the FVOCI category and are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in other comprehensive income (OCI). However, interest income, impairment losses and reversals and foreign exchange gain or loss are recognised in the statement of profit and loss. On derecognition of the asset, cumulative gain or loss previously recognised in other comprehensive income is reclassified from the equity to statement of profit and loss. Interest earned whilst holding fair value through other comprehensive income debt instrument is reported as interest income using the EIR method.

For equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

The Company's financial assets at fair value through OCI include investments in quoted and unquoted equity shares and quoted bonds.

**Financial assets at fair value through profit or loss (FVTPL)**

Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument at FVTPL.

Any equity instrument in the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL.

Further, the provisionally priced trade receivables are marked to market using the relevant forward prices for the future period specified in the contract and is adjusted in revenue.

**(ii) Impairment of financial assets**

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables, contract assets and lease receivables.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

At each reporting date, for recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the Company reverts to recognising impairment loss allowance based on 12-month ECL.

ECL impairment loss allowance (or reversal) recognised during the year is recognized as income/ expense in the statement of profit and loss. The balance sheet presentation for various financial instruments is described below:

- a) Financial assets measured at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets. The Company does not reduce impairment allowance from the gross carrying amount.
- b) Debt instruments measured at FVOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.



**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

**(iii) Financial Assets - Derecognition**

A financial asset is derecognised when the contractual rights to receive cash flows from the financial asset expire, or when the financial asset is transferred, and the transfer qualifies for derecognition under Ind AS 109.

**(iv) Financial liabilities – Recognition and Subsequent measurement**

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, or as loans, borrowings and payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of financial liabilities at amortised cost, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings, financial guarantee contracts and derivative financial instruments.

The measurement of financial liabilities depends on their classification, as described below:

**Financial liabilities at fair value through profit or loss (FVTPL)**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/losses are not subsequently transferred to statement of profit and loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has not designated any financial liability at fair value through profit or loss.

Further, the provisionally priced trade payables are marked to market using the relevant forward prices for the future period specified in the contract and is adjusted in costs.

**Financial liabilities at amortised cost (Loans, Borrowings and Trade and Other payables)**

After initial recognition, interest-bearing loans, borrowings and trade and other payables are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the statement of profit and loss when the liabilities are derecognised as well as through the EIR amortisation process.

**(v) Financial liabilities - Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. When a new financial liability is recognised in place of an existing one, the difference in the respective carrying amounts is recognised in the statement of profit and loss.

**(vi) Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

The Company recognises a liability to pay dividend to equity holders of the Company when the distribution is authorised, and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution with respect to interim dividend is authorised when it is approved by the board of directors of the Company and final dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

**(vii) Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Standalone balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

**(G) Derivative financial instruments and hedge accounting**

**Initial recognition and subsequent measurement**

In order to hedge its exposure to foreign exchange, interest rate, and commodity price risks, the Company enters into forward, option, swap contracts and other derivative financial instruments. The Company does not hold derivative financial instruments for speculative purposes.

Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the statement of profit and loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to the 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.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:



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**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

**i) Fair value hedges**

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the statement of profit and loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

When an unrecognised firm commitment is designated as a hedged item, the subsequent cumulative change in the fair value of the firm commitment attributable to the hedged risk is recognised as an asset or liability with a corresponding gain or loss recognised in the statement of profit and loss. Hedge accounting is discontinued when the Company revokes the hedge relationship, the hedging instrument or hedged item expires or is sold, terminated, or exercised or no longer meets the criteria for hedge accounting.

**ii) Cash flow hedges**

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

Amounts recognised in OCI are transferred to the statement of profit and loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised in OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

**(H) Leases**

The Company assesses at contract inception, all arrangements to determine whether they are, or contain, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

**(a) Company as a lessor**

The Company as a lessee applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities towards future lease payments and right-of-use assets representing the right to use the underlying assets.

**(i) Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date when the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right-of-use assets are also subject to impairment.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets as described in 'B' above.

**(ii) Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (and, in some instances, in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is generally not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are disclosed on the face of Balance sheet.

**(iii) Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases of equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**(I) Inventories**

Inventories and work-in-progress are valued at the lower of cost and net realisable value. Cost is determined on the following basis:

- purchased copper concentrate is recorded at cost on a first-in, first-out ("FIFO") basis; all other materials including stores and spares are valued on a weighted average basis except in Oil and Gas business where stores and spares are valued on FIFO basis;
- finished products are valued at raw material cost plus costs of conversion, comprising labour costs and an attributable proportion of manufacturing overheads based on normal levels of activity and are moved out of inventory on a weighted average basis (except in copper business where FIFO basis is followed); and
- By-products and scrap are valued at net realisable value.

Net realisable value is determined based on estimated selling price, less further costs expected to be incurred for completion and disposal.

Inventories of 'Fuel Stock' mainly consist of coal which is used for generating power. On consumption, the cost is charged off to 'Power and Fuel' charges in the statement of profit and loss.

**(J) Government grants**

Grants and subsidies from the government are recognised when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Where the grant relates to a non-monetary asset, it is recognised as deferred income and released to income in equal amounts over the expected useful life of the related asset and presented within other income.

**(K) Taxation**

Tax expense represents the sum of current tax and deferred tax.

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the reporting date and includes any adjustment to tax payable in respect of previous years.

Subject to the exceptions below, deferred tax is provided, using the balance sheet method, on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes and on carry forward of unused tax credits and unused tax losses;

- deferred income tax is not recognised on initial recognition of an asset or liability in a transaction that:



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**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

- (i) is not a business combination;
- (ii) at the time of the transaction, affects neither the accounting profit nor taxable profit (tax loss); and
- (iii) at the time of the transaction, does not give rise to equal taxable and deductible temporary differences; and

• deferred tax assets are recognised only to the extent that it is more likely than not that they will be recovered.

The carrying amount of deferred tax assets is reviewed at each reporting date and is adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current income tax assets against current Income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Further, management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company shall reflect the effect of uncertainty for each uncertain tax treatment by using either most likely method or expected value method, depending on which method predicts better resolution of the treatment.

**(L) Retirement benefit schemes**

The Company operates or participates in a number of defined benefits and defined contribution schemes, the assets of which (where funded) are held in separately administered funds. For defined benefit schemes, the cost of providing benefits under the plans is determined by actuarial valuation each year separately for each plan using the projected unit credit method by third party qualified actuaries.

Remeasurement including, effects of asset ceiling and return on plan assets (excluding amounts included in interest on the net defined benefit liability) and actuarial gains and losses arising in the year are recognised in full in other comprehensive income and are not recycled to the statement of profit and loss.

Net interest is calculated by applying a discount rate to the net defined benefit liability or asset at the beginning of the period. Defined benefit costs are split into current service cost, past service cost, net interest expense or income and remeasurement and gains and losses on curtailments and settlements. Current service cost and past service cost are recognised within employee benefit expense. Net interest expense or income is recognized within finance costs.

For defined contribution schemes, the amount charged to the statement of profit and loss in respect of pension costs and other post retirement benefits is the contributions payable in the year, recognised as and when the employee renders related services.

**(M) Share-based payments**

Certain employees (including executive directors) of the Company receive part of their remuneration in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares ('equity-settled transactions').

The cost of equity-settled transactions with employees is measured at fair value of share awards at the date at which they are granted. The fair value of share awards is determined with the assistance of an external valuer and the fair value at the grant date is expensed on a proportionate basis over the vesting period based on the Company's estimate of shares that will eventually vest. The estimate of the number of awards likely to vest is reviewed at each balance sheet date up to the vesting date at which point the estimate is adjusted to reflect the current expectations.

The resultant increase in equity is recorded in share based payment reserve.

In case of cash-settled transactions, a liability is recognised for the fair value of cash-settled transactions. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognised in employee benefits expense. The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The fair value is determined with the assistance of an external valuer. Refer note 27.

**(N) Provisions, contingent liabilities and contingent assets**

Provisions represent liabilities for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

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

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the notes to the financial statements.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefit is probable.

The Company has significant capital commitments in relation to various capital projects which are not recognised in the balance sheet.

**(O) Restoration, rehabilitation and environmental costs**

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing production of a mine or oil fields. Such costs, discounted to net present value, are provided for and a corresponding amount is capitalised at the start of each project, as soon as the obligation to incur such costs arises. These costs are charged to the statement of profit and loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision. The cost estimates are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost estimates or life of operations. The impact of climate-related matters, such as changes in environmental regulations and other relevant legislation, is considered by the Company in estimating the restoration, rehabilitation and environmental costs. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, changes to lives of operations, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate. The unwinding of the discount is shown as finance cost in the statement of profit and loss.

Costs for the restoration of subsequent site damage, which is caused on an ongoing basis during production, are provided for at their net present value and charged to the statement of profit and loss as extraction progresses. Where the costs of site restoration are not anticipated to be material, they are expensed as incurred.



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**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

**(P) Accounting for foreign currency transactions**

The functional currency of the Company is determined as the currency of the primary economic environment in which it operates. For all principal businesses of the Company, the functional currency is Indian rupee (₹) with an exception of oil and gas business operations which has a US dollar functional currency as that is the currency of the primary economic environment in which it operates. The financial statements are presented in Indian rupee (₹).

In the financial statements of the Company, transactions in currencies other than the functional currency are translated into the functional currency at the exchange rates ruling at the date of the transaction. Monetary assets and liabilities denominated in other currencies are translated into the functional currency at exchange rates prevailing on the reporting date. Non-monetary assets and liabilities denominated in other currencies and measured at historical cost or fair value are translated at the exchange rates prevailing on the dates on which such values were determined.

All exchange differences are included in the statement of profit and loss except those where the monetary item designated as an effective hedging instrument of the currency risk of designated forecasted sales or purchases, which are recognized in the other comprehensive income.

The Statement of Profit and Loss of oil and gas business is translated into Indian Rupees (₹) at the average rates of exchange during the year / exchange rates as on the date of the transaction. The Balance Sheet is translated at the exchange rate as at the reporting date. Exchange difference arising on translation is recognised in other comprehensive income and would be recycled to the statement of profit and loss as and when these operations are disposed off.

The Company had applied paragraph 46A of AS 11 under Previous GAAP. Ind AS 101 gives an option, which has been exercised by the Company, whereby a first time adopter can continue its Indian GAAP policy for accounting for exchange differences arising from translation of long-term foreign currency monetary items recognised in the Indian GAAP financial statements for the period ending immediately before the beginning of the first Ind AS financial reporting period. Hence, foreign exchange gain/loss on long-term foreign currency monetary items recognized upto 31 March 2016 has been deferred/capitalized. Such exchange differences arising on translation/settlement of long-term foreign currency monetary items and pertaining to the acquisition of a depreciable asset are amortised over the remaining useful lives of the assets.

Exchange differences arising on translation/ settlement of long-term foreign currency monetary items, acquired post 01 April 2016, pertaining to the acquisition of a depreciable asset are charged to the statement of profit and loss.

**(O) Buyers' Credit/ Suppliers' Credit and vendor financing**

The Company enters into arrangements whereby banks and financial institutions make direct payments to suppliers for raw materials and project materials. The banks and financial institutions are subsequently repaid by the Company at a later date providing working capital timing benefits. These are normally settled between twelve months (for raw materials) to thirty-six months (for project materials). Where these arrangements are with a maturity of up to twelve months, the economic substance of the transaction is determined to be operating in nature and these are recognised as operational buyers' credit/ suppliers' credit and disclosed on the face of the balance sheet. Where these arrangements are with a maturity beyond twelve months and up to thirty six months, the economic substance of the transaction is determined to be financing in nature, and these are presented within borrowings in the balance sheet. Interest expense on these are recognised in the finance cost. Payments made by banks and financial institutions to the operating vendors are treated as a non cash item and settlement of due to operational buyer's credit/ suppliers' credit by the Company is treated as an operating cash outflow reflecting the substance of the payment.

**(R) Borrowing costs**

Borrowing cost includes interest expense as per effective interest rate ("EIR") and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs directly relating to the acquisition, construction or production of a qualifying capital project under construction are capitalised and added to the project cost during construction until such time that the assets are substantially ready for their intended use, i.e., when they are capable of commercial production.

Where funds are borrowed specifically to finance a qualifying capital project, the amount capitalised represents the actual borrowing costs incurred. Where surplus funds are available out of money borrowed specifically to finance a qualifying capital project, the income generated from such short-term investments is deducted from the total capitalized borrowing cost. If any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing then becomes part of general borrowing. Where the funds used to finance a project form part of general borrowings, the amount capitalised is calculated using a weighted average of rates applicable to relevant general borrowings of the Company during the year.

All other borrowing costs are recognised in the statement of profit and loss in the year in which they are incurred.

Capitalisation of interest on borrowings related to construction or development projects is ceased when substantially all the activities that are necessary to make the assets ready for their intended use are complete or when delays occur outside of the normal course of business.

**(S) Cash and cash equivalents**

Cash and cash equivalents comprise cash at bank and on hand and short-term money market deposits which have an original maturity of three months or less from the date of acquisition, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

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

**(T) Equity investment in subsidiaries, associates and joint ventures**

Investments representing equity interest in subsidiaries, associates and joint ventures are carried at cost less impairment, if any. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable in accordance with the policy mentioned for 'Impairment of non-financial assets'.

**Joint Arrangements**

A Joint arrangement is an arrangement of which two or more parties have joint control. Joint control is considered when there is contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Investments in joint arrangements are classified as either joint operations or joint venture. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

**Joint Operations**

The Company has joint operations within its Oil and gas segment and participates in several unincorporated joint operations which involve the joint control of assets used in oil and gas exploration and producing activities. The Company accounts for its share of assets and income and expenditure of joint operations in which it holds an interest. Liabilities in unincorporated joint ventures, where the Company is the operator, is accounted for at gross values (including share of other partners) with a corresponding receivable from the venture partners. These have been included in the financial statements under the appropriate headings.



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**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

**(U) Common Control transactions**

The transactions between entities under common control are specifically covered by Ind AS 103. Such transactions are accounted for using the pooling-of-interest method. The assets and liabilities of the acquired entity are recognised at their carrying amounts recorded in the parent entity's consolidated financial statements with the exception of certain income tax and deferred tax assets. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies. The components of equity of the acquired companies are added to the same components within the Company's equity. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve. The Company's shares issued in consideration for the acquired companies are recognized from the moment the acquired companies are included in these financial statements and the financial statements of the commonly controlled entities are combined, retrospectively, as if the transaction had occurred at the beginning of the earliest reporting period presented. However, the prior year comparative information is only adjusted for periods during which entities were under common control.

**(V) Exceptional items**

Exceptional items are those items that management considers, by virtue of their size or incidence (including but not limited to impairment charges and acquisition and restructuring related costs), should be disclosed separately to ensure that the financial information allows an understanding of the underlying performance of the business in the year, so as to facilitate comparison with prior periods. No tax impact other than tax impact on exceptional items including change in tax regime are considered exceptional. Such items are material by nature or amount to the year's Statement of Profit and Loss and require separate disclosure in accordance with Ind AS.

The determination as to which items should be disclosed separately requires a degree of judgement. The details of exceptional items are set out in note 34.

**(W) Assets held for distribution and discontinued operations**

The Company classifies assets and disposal groups as held for distribution if their carrying amounts will be recovered principally through a distribution rather than through continuing use. Actions required to complete the distribution should indicate that it is unlikely that significant changes to the distribution will be made or that the decision to distribution will be withdrawn. Management must be committed to the distribution expected within one year from the date of classification.

The criteria for held for distribution classification is regarded met only when the assets or disposal group is available for immediate distribution in its present condition, subject only to terms that are usual and customary for distribution of such assets (or disposal groups), its distribution is highly probable; and it will genuinely be distributed, not abandoned. The Company treats distribution of the asset or disposal group to be highly probable when:

- The appropriate level of management is committed to a plan to distribute the asset (or disposal group),
- The distribution is expected to qualify for recognition as a completed distribution within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for distribution to owners and disposal groups are measured at the lower of their carrying amount and the fair value less costs to distribute. Assets and liabilities classified as held distribution are presented separately in the balance sheet.

A disposal group qualifies as discontinued operation if it is a component of an entity that either has been disposed of, or is classified as held for sale, and:

- Represents a separate major line of business or geographical area of operations,
- Is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations.

Discontinued operations are excluded from the Statement of Profit and Loss of continuing operations and are presented as a single amount as profit or loss before tax from discontinued operations in the Statement of Profit and Loss. All notes to the financial statements mainly include amounts for continuing operations, unless otherwise mentioned. Notes relating to the assets and liabilities may not be strictly comparable as current year amounts would only pertain to continuing operations, unless otherwise stated. Notes relating to the assets and liabilities may not be strictly comparable as current year amounts would only pertain to continuing operations, unless otherwise stated.

Income and expenses and assets and liabilities are disclosed after netting off of transactions between continuing operations and discontinued operations in the Statement of Profit and Loss and Balance Sheet pursuant to compliance of Ind AS 110.

**3(b) Application of new and amended standards**

**(A)** The Company has adopted, with effect from 01 April 2025, the following new and revised standards. Their adoption has not had any material impact on the amounts reported in the financial statements:

1. Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months. If there is a breach of a material covenant of a long-term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current. The amendments are effective for annual reporting periods beginning on or after 1 April 2025 retrospectively in accordance with Ind AS 8. As a result of implementing the amendments, the Group has provided additional disclosures about compliance with covenants. Refer Note 17.

2. Amendments to Ind AS 7 and Ind AS 107 - Supplier Finance Arrangements: In August 2025, the MCA notified amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. As a result of implementing the amendments, the Company has provided additional disclosures about its supplier finance arrangement. Refer Note 19.

3. International Tax Reform—Pillar Two Model Rules – Amendments to Ind AS 12 In August 2025, the MCA notified amendments to Ind AS 12 Income Taxes in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 April 2025, but not for any interim periods ending on or before 31 March 2026. The amendments had no impact on the Company's financial statements as the Company is not in scope of the Pillar Two model rules.

4. Amendments to Ind AS 21 - Lack of exchangeability The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2025, which amend Ind AS 21, The Effects of Changes in Foreign Exchange Rates to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments are effective for annual reporting periods beginning on or after 1 April 2025. When applying the amendments, an entity cannot restate comparative information. The amendments do not have a material impact on the Company's financial statements.



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**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

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

There are no new standards that are notified, but not yet effective, upto the date of issuance of the financial statements.

**3(c) Significant accounting estimates and judgements**

The preparation of financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. These judgments and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to previous experience, but actual results may differ materially from the amounts included in the financial statements.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

The information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as given below:

**(A) Significant Estimates**

**(i) Carrying value of exploration intangible assets under development**

Exploration intangible assets are assessed by comparing the carrying value to higher of fair value less cost of disposal or value in use if impairment indicators, as contained in Ind AS 106, exists. Change to the valuation of exploration intangible assets is an area of judgement. Further details on the Company's accounting policies on this are set out in accounting policy above. The amounts for exploration and evaluation assets represent active exploration projects. These amounts will be written off to the statement of profit and loss as exploration costs unless commercial reserves are established or the determination process is not completed and there are no indications of impairment. The outcome of ongoing exploration, and therefore whether the carrying value of exploration and evaluation assets will ultimately be recovered, is inherently uncertain.

Details of carrying values are disclosed in note 5.

**(ii) Copper operations in Tamil Nadu, India**

Tamil Nadu Pollution Control Board ("TNPCB") had issued a closure order of the Tuticorin Copper smelter, against which the Company 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 had 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 Company had 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 Company 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 Company appealed this before the NGT. NGT vide its order on 15 December 2018 had 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 Company to file an appeal in High court.

The Company had filed a writ petition before the Madras High Court challenging the various orders passed against the Company 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 Company. Thereafter, the Company had approached the Supreme Court and challenged the said High Court order by way of a Special Leave Petition ("SLP").

Though the Company has raised substantial grounds of challenge before the Supreme Court and considering the grounds raised and the fact that the NGT has ruled in favour of the Company, the Hon'ble Supreme Court, after hearing the Parties to the proceedings has dismissed the SLP filed by the Company vide judgment dated 29 February 2024. The Company, on 01 April 2024, preferred a review petition before the Hon'ble Supreme Court. In the said review petition, the Company also moved an application for open Court hearing of the review petition. The review petition, along-with the application for listing the review petition in the open Court, was dismissed on 22 October 2024. The Company is currently evaluating legal remedies available with it including filing of curative petition before the Hon'ble Supreme Court.

**Expansion Project:**

Separately, the Company 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 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 Company 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 Company had approached Madras High Court by way of writ petition challenging the cancellation of lease deeds of land (Gross block: ₹ 31 Crore (Net block: ₹ Nil Crore)) by SIPCOT pursuant to which an interim stay had been granted. The Company has also appealed this action before the TNPCB Appellate Authority. The matter has been adjourned until the conclusion of the existing Plant review petition filed before the Hon'ble Supreme Court.

As per the Company's assessment, it is in compliance with the applicable regulations. Considering prolonged time of plant closure and uncertainties around opening of plant due to rejection of SLP by Hon'ble Supreme Court, the Company had carried out an impairment assessment on Tuticorin plant assets using Depreciated Replacement Cost / Scrap Value method for PPE and CWIP, and Net recoverable method for inventory. Accordingly, impairment on of ₹ 746 Crore (including PPE of ₹ 553 Crore, CWIP of ₹ 130 Crore and loss on inventory of ₹ 63 Crore) had been recorded during the earlier year ended 31 March 2024. Management has revisited the recoverable value of PPE, CWIP and inventory as at March 31, 2026 and no further impairment was required to be recognized. The carrying value of Tuticorin plant assets amounts to ₹ 498 Crore of PPE, ₹ 116 Crore of CWIP and ₹ 128 Crore of Inventory as at 31 March 2026.

Property, plant and equipment of ₹ 410 Crore (31 March 2025: ₹ 410 Crore) and inventories of ₹ 104 Crore (31 March 2025: ₹ 226 Crore), 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.



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**(iii) Oil and Gas reserves**

Significant technical and commercial judgements are required to determine the Company's estimated oil and natural gas reserves. Reserves considered for computing depletion are proved and developed reserves for successful exploratory wells, development wells, processing facilities, distribution assets, estimated future abandonment cost and all other related costs. Reserves for this purpose are considered on working interest basis which are reassessed at least annually. Details of such reserves are given in note 42. Changes in reserves as a result of change in management assumptions could impact the depreciation rates and the carrying value of assets (refer note 5).

**(iv) Carrying value of developing/producing oil and gas assets**

Management performs impairment tests on the Company's developing/producing oil and gas assets where indicators of impairment are identified in accordance with Ind AS 36.

The impairment assessments are based on a range of estimates and assumptions, including:

Estimates/ assumptions	Basis
Future production	proved and probable reserves, production facilities, resource estimates and expansion projects
Commodity prices	management's best estimate benchmarked with external sources of information, to ensure they are within the range of available analyst forecast
Discount to price	management's best estimate based on historical prevailing discount and updated sales contracts
Period	for Rajasthan block, cash flows are considered based on economic life of the field
Discount rates	cost of capital risk-adjusted for the risk specific to the asset/ CGU

Any subsequent changes to cash flows due to changes in the above mentioned factors could impact the carrying value of the assets.

Details of carrying values and impairment charge/ (reversal) and the assumptions used are disclosed in note 5 and 34 respectively.

**(v) Climate Change**

The Company has set a target to achieve net-zero Scope 1 and Scope 2 emissions by 2050 and is committed to reducing emissions by 25% by 2030 from a 2021 baseline. As part of its broader climate risk mitigation strategy, the company also aims to become a net water-positive organization by 2030. Climate change poses several potential impacts on the Company over the medium to long term, including risks and opportunities linked to product and service demand, the transition to a low-carbon economy, supply chain disruptions, physical damage to assets from extreme weather events, and evolving regulatory requirements.

The financial statement areas most affected by these commitments and climate-related risks are those prepared under the historical cost convention and involve estimation uncertainties, particularly over the medium to long term.

The potential effects of climate change may be on assets and liabilities that are measured based on an estimate of future cash flows. The main ways in which potential climate change impacts have been considered in the preparation of the financial statements, pertain to (a) inclusion of capex in cash flow projections, (b) recoverable amounts of existing assets and (c) review of estimates of useful lives of property, plant and equipment.

The Company's strategy consists of mitigation and adaptation measures. The Company is committed to reduce its carbon footprint through high impact initiatives such as investment in Renewable Energy, fuel switch, electrification of vehicles and mining fleet and energy efficiency opportunities. During the current year, work has progressed towards the construction of renewable power delivery agreements in accordance with the Board approved plan. Renewable sources have limitations in supplying round the clock power, so existing power plants would continue to support transition and thermal fleet replacement is part of normal lifecycle renewal. The Company has also taken certain measures towards water management such as commissioning of sewage treatment plants, rainwater harvesting, and reducing freshwater consumption. These initiatives are aligned with the Company's ESG strategy, and no material changes were identified to the financial statements as a result.

As the Company's assessment of the potential impacts of climate change and the transition to a low-carbon economy continues to mature, any future changes in Company's climate change strategy, changes in environmental laws and regulations and global decarbonisation measures may impact the Company's significant judgments and key estimates and result in changes to financial statements and carrying values of certain assets and liabilities in future reporting periods. However, as of the statement of financial position date, the Company believes that there is no material impact on carrying values of its assets or liabilities.

**(vi) Recoverability of deferred tax and other income tax assets**

During the year ended 31 March 2026, based on financial projections and requirements of Ind AS 12, Athena has utilised deferred tax assets on unabsorbed depreciation amounting to ₹ 310 Crore. As at 31 March 2026, Athena has deferred tax assets balance of ₹ 1,723 Crore on carry forward unabsorbed depreciation, which based on management's estimate is probable to realise.

**(B) Significant Judgement**

**(i) Contingencies:**

In the normal course of business, contingent liabilities may arise from litigation, taxation and other claims against the Company. A provision is recognised when the Company has a present obligation as a result of past events and it is probable that the Company will be required to settle that obligation.

Where it is management's assessment that the outcome cannot be reliably quantified or is uncertain, the claims are disclosed as contingent liabilities unless the likelihood of an adverse outcome is remote. Such liabilities are disclosed in the notes but are not provided for in the financial statements.

When considering the classification of legal or tax cases as probable, possible or remote, there is judgement involved. This pertains to the application of the legislation, which in certain cases is based upon management's interpretation of country specific applicable law, in particular India, and the likelihood of settlement. Management uses in-house and external legal professionals to make informed decision.

Although there can be no assurance regarding the final outcome of the legal proceedings, the Company does not expect them to have a materially adverse impact on the Company's financial position or profitability. These are set out in Note 38.

For other significant litigations where the possibility of an outflow of resources embodying economic benefits is remote, refer note 43.

**(ii) Revenue recognition and receivable recovery in relation to the power division:**

In certain cases, the Company's power customers are disputing various contractual provisions of Power Purchase Agreements ("PPA"). Significant judgement is required in both assessing the tariff to be charged under the PPA in accordance with Ind AS 115 and to assess the recoverability of withheld revenue currently accounted for as receivables.



**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

In assessing this critical judgment, management considered favourable external legal opinions that the Company has obtained in relation to the claims. In addition, the fact that the contracts are with government owned companies implies that the credit risk is low [refer note 8 (c)].

**3(d) Acquisitions, Restructuring and Disposal of Subsidiary**

**(i) Scheme of Arrangement for demerger**

On 29 September 2023, the Board approved a Scheme of Arrangement for demerger of various business undertakings into separate resulting companies, which was subsequently modified to exclude the Base Metals undertaking (the "Updated Scheme"). The Updated Scheme received requisite approvals from shareholders and creditors and was sanctioned by the Hon'ble NCLT on 16 December 2025, with TSPL receiving separate approval on 9 January 2026. Consequently, the receipt of aforesaid NCLT approval, being one of the substantial approvals, meets the highly-probable criteria prescribed in IndAS 105 "Non-current Assets Held for Sale and Discontinued Operations" for presentation of the Scheme as discontinued operations. Hence Aluminium, Oil and Gas, Iron Ore and Power undertakings have been disclosed as discontinued operation in financial statements. Accordingly, all previous period figures in the statement of profit and loss have also been re-presented/re-computed. Refer note 45 for further details.

**(ii) Stake sale in subsidiary**

During the year ended 31 March 2026, the Company has reduced its shareholding in its subsidiary, Hindustan Zinc Limited ("HZL") from 2,67,95,48,419 equity shares to 2,56,52,71,353 equity shares by way of an offer for sale for a net consideration of ₹ 6,292 Crore, resulting in net gain of ₹ 4,442 Crore which has been recognized as exceptional gain, refer note 34. Consequent to the aforesaid sale, the Company's overall stake has decreased from 63.42% to 60.71% of the total paid-up equity share capital of HZL.

During the previous year ended 31 March 2025, the Company had reduced its shareholding in its subsidiary, Hindustan Zinc Limited ("HZL") from 2,74,31,54,310 equity shares to 2,67,95,48,419 equity shares by way of an offer for sale for a net consideration of ₹ 3,134 Crore, resulting in net gain of ₹ 2,106 Crore. Consequent to the aforesaid sale, the Company's overall stake had decreased from 64.92% to 63.42% of the total paid-up equity share capital of HZL.

**(iii) Acquisition of Incab**

Incab Industries limited ("Incab") is a private limited company located at Kolkata. NCLT vide its order dated 3 December 2025 has granted its approval for the Resolution Plan as submitted by the Company for acquisition of Incab under Corporate Insolvency Resolution Process in accordance with the provisions of Insolvency and Bankruptcy Code (IBC), 2016 for total consideration of ₹ 587 Crore.

The Company has made the payment of upfront consideration of ₹ 587 Crore for the implementation of approved Resolution Plan. Pursuant to approval of the Resolution Plan and on payment of consideration, management has assessed that Control in terms of Ind AS 110 has been acquired on 3 December 2025. Accordingly, fair value of the total consideration amounting to ₹587 crore has been allocated to the identified assets and liabilities acquired on the basis of their relative fair values. Refer note 6.



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**Vedanta Limited**  
Notes forming part of the financial statements as at and for the year ended 31 March 2026

**4 Segment Information**

**A) Description of segment and principal activities**

The Company is a diversified natural resource company engaged in exploring, extracting and processing minerals and oil and gas. The Company produces oil and gas, aluminium, copper, iron ore and power. The Company has five reportable segments: oil and gas, aluminium, copper, iron ore and power. The management of the Company is organized by its main products: oil and gas, aluminium, copper, iron ore and power. Each of the reportable segments derives its revenues from these main products and hence these have been identified as reportable segments by the Company's Chief Operating Decision Maker ("CODM").

Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amount allocated on a reasonable basis. Unallocated expenditure consist of common expenditure incurred for all the segments and expenses incurred at corporate level. The assets and liabilities that cannot be allocated between the segments are shown as unallocated assets and unallocated liabilities respectively.

The accounting policies of the reportable segments are the same as the Company's accounting policies described in Note 3. Earnings before Interest, Tax and Depreciation & Amortisation (EBITDA) are evaluated regularly by the CODM, in deciding how to allocate resources and in assessing performance. The operating segments reported are the segments of the Company for which separate financial information is available. The Company's financing (including finance costs and finance income) and income taxes are reviewed on an overall basis and are not allocated to operating segments.

Pricing between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

The following table presents revenue and EBITDA and certain assets and liabilities information regarding the Company's business segments as at and for the year ended 31 March 2026 and 31 March 2025 respectively.

**For the year ended 31 March 2026**

Particulars	Business Segments								
	Copper	Total Continuing Operations	Oil and Gas	Aluminium	Iron Ore	Power	Total Discontinued Operations	Eliminations	Total
<b>Revenue</b>									
External revenue	22,999	22,999	5,532	49,604	6,011	1,836	62,983	-	85,982
Inter segment revenue	-	-	-	-	-	99	99	99	-
<b>Segment revenue</b>	<b>22,999</b>	<b>22,999</b>	<b>5,532</b>	<b>49,604</b>	<b>6,011</b>	<b>1,935</b>	<b>63,082</b>	<b>99</b>	<b>85,982</b>
Add: Other operating income	88	88	259	1,691	278	2	2,230	-	2,318
<b>Total revenue from operations</b>	<b>23,087</b>	<b>23,087</b>	<b>5,791</b>	<b>51,295</b>	<b>6,289</b>	<b>1,937</b>	<b>65,312</b>	<b>99</b>	<b>88,300</b>
<b>Results</b>									
<b>Segment results (EBITDA) <sup>a</sup></b>	(141)	(141)	2,604	18,358	869	311	22,142	-	22,001
Less: Depreciation, depletion and amortisation expense	38	38	1,059	1,514	204	126	2,903	-	2,941
Add: Other income, net of expenses <sup>b,c</sup>	1	1	(1,253)	70	5	11	(1,167)	-	(1,166)
Add: Other unallocable income, net of expenses	-	-	-	-	-	-	-	-	5,654
Less: Finance costs	-	-	-	-	-	-	-	-	5,533
Add: Net exceptional gain	-	-	-	-	-	-	-	-	3,160
<b>Net profit before tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>21,175</b>
<b>Other information</b>									
<b>Segment Assets</b>	5,315	5,315	16,915	56,443	5,500	6,272	85,130	-	90,445
Financial asset investments	-	-	-	-	-	-	-	-	66,920
Income tax assets (net of provisions)	-	-	-	-	-	-	-	-	1,109
Cash and cash equivalents (including other bank balances and bank deposits)	-	-	-	-	-	-	-	-	9,787
Deferred tax assets (net)	-	-	-	-	-	-	-	-	1,613
Others	-	-	-	-	-	-	-	-	7,506
<b>Total Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,77,380</b>
<b>Segment Liabilities</b>	8,410	8,410	9,278	16,001	2,539	731	28,549	-	36,959
Borrowings	-	-	-	-	-	-	-	-	53,289
Income tax liabilities (net)	-	-	-	-	-	-	-	-	996
Deferred tax liabilities (net)	-	-	-	-	-	-	-	-	4,719
Others	-	-	-	-	-	-	-	-	3,368
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>99,331</b>
Capital Expenditure <sup>d</sup>	50	50	2,637	4,336	532	1,534	9,039	-	9,112
Net impairment/write off relating to assets <sup>e</sup>	-	-	-	(349)	(853)	-	(1,202)	-	1,237

a) EBITDA is a non-GAAP measure.

b) Other income includes amortisation of duty benefits relating to assets recognised as government grant.

c) Includes cost of exploration wells written off.

d) Total capital expenditure includes capital expenditure of ₹ 23 Crore not allocable to any segment.

e) Total net impairment includes impairment on investment of ₹ 783 Crore and provision for advance given, amounting to ₹ 70 Crore, which is not allocable to any segment.

**The continuing business segments are:**

(a) Copper, which consists of manufacturing of copper cathode, continuous cast copper rod, anode slime from purchased concentrate and blister and manufacturing of sulphuric acid, phosphoric acid; and

**The discontinued business segments are:**

(b) Power, includes thermal power facilities predominantly engaged in generation and sale of commercial power but excluding captive power;

(c) Oil and Gas, which consists of exploration, development and production of oil and gas;

(d) Aluminium, which consists of manufacturing of alumina and various aluminium products; and

(e) Iron ore, which consists of mining of ore and manufacturing of pig iron and metallurgical coke.

The assets and liabilities that cannot be allocated between the segments are shown as unallocated assets and liabilities respectively.



Vedanta Limited  
Notes forming part of the financial statements as at and for the year ended 31 March 2026

For the year ended 31 March 2025

(₹ in Crore)

Particulars	Business Segments								
	Copper	Total Continuing Operations	Aluminium	Oil and Gas	Iron Ore	Power	Total Discontinued Operations	Eliminations	Total
<b>Revenue</b>									
External revenue	16,760	16,760	43,546	6,254	5,567	678	56,045	-	72,805
Inter segment revenue	-	-	-	-	-	-	-	-	-
<b>Segment revenue</b>	<b>16,760</b>	<b>16,760</b>	<b>43,546</b>	<b>6,254</b>	<b>5,567</b>	<b>678</b>	<b>56,045</b>	-	<b>72,805</b>
Add: Other operating income	40	40	1,094	175	181	-	1,450	-	1,490
<b>Total revenue from operations</b>	<b>16,800</b>	<b>16,800</b>	<b>44,640</b>	<b>6,429</b>	<b>5,748</b>	<b>678</b>	<b>57,495</b>	-	<b>74,295</b>
<b>Results</b>									
<b>Segment results (EBITDA) <sup>a</sup></b>	(124)	(124)	13,266	2,710	957	(363)	16,570	-	16,446
Less: Depreciation, depletion and amortisation expense	29	29	2,071	1,542	258	131	4,002	-	4,031
Add: Other income, net of expenses <sup>b,c</sup>	1	1	64	(456)	5	12	(375)	-	(374)
Add: Other unallocable income, net of expenses	-	-	-	-	-	-	-	-	11,391
Less: Finance costs	-	-	-	-	-	-	-	-	6,328
Add: Net exceptional gain	-	-	-	-	-	-	-	-	2,905
<b>Net profit before tax</b>	-	-	-	-	-	-	-	-	<b>20,009</b>
<b>Other information</b>									
<b>Segment Assets</b>	4,192	4,192	52,379	15,738	5,200	4,506	77,823	-	82,015
Financial asset investments	-	-	-	-	-	-	-	-	66,766
Income tax assets (net of provisions)	-	-	-	-	-	-	-	-	1,317
Cash and cash equivalents (including other bank balances and bank deposits)	-	-	-	-	-	-	-	-	5,141
Others	-	-	-	-	-	-	-	-	4,751
<b>Total Assets</b>	-	-	-	-	-	-	-	-	<b>1,59,990</b>
<b>Segment Liabilities</b>	7,024	7,024	17,352	9,498	2,534	487	29,871	-	36,895
Borrowings	-	-	-	-	-	-	-	-	42,821
Income tax liabilities (net)	-	-	-	-	-	-	-	-	601
Deferred tax liabilities (net)	-	-	-	-	-	-	-	-	3,168
Others	-	-	-	-	-	-	-	-	1,106
<b>Total Liabilities</b>	-	-	-	-	-	-	-	-	<b>84,591</b>
Capital Expenditure <sup>d</sup>	18	18	3,384	1,946	449	1,450	7,229	-	7,257
Net (write off)/ impairment reversal relating to assets <sup>e</sup>	-	-	-	913	(217)	-	696	-	896

a) EBITDA is a non-GAAP measure.

b) Other income includes amortisation of duty benefits relating to assets recognised as government grant.

c) Includes cost of exploration wells written off.

d) Total capital expenditure includes capital expenditure of ₹ 10 Crore not allocable to any segment.

e) Total net impairment reversal includes impairment reversal on investments of ₹ 200 Crore, which is not allocable to any segment.

**The continuing business segments are:**

(a) Copper, which consists of manufacturing of copper cathode, continuous cast copper rod, anode slime from purchased concentrate and blister and manufacturing of sulphuric acid, phosphoric acid; and

**The discontinued business segments are:**

(b) Power, includes thermal power facilities predominantly engaged in generation and sale of commercial power but excluding captive power;

(c) Oil and Gas, which consists of exploration, development and production of oil and gas;

(d) Aluminium, which consists of manufacturing of alumina and various aluminium products; and

(e) Iron ore, which consists of mining of ore and manufacturing of pig iron and metallurgical coke.

The assets and liabilities that cannot be allocated between the segments are shown as unallocated assets and liabilities respectively.



**Vedanta Limited****Notes forming part of the financial statements as at and for the year ended 31 March 2026****B) Geographical segment analysis**

The following table provides an analysis of the Company's sales by region in which the customer is located, irrespective of the origin of the goods.

(₹ in Crore)

<b>Geographical Segment</b>	<b>Year ended 31 March 2026</b>	<b>Year ended 31 March 2025</b>
<b>Revenue by geographical segment</b>		
<b><u>Continuing operations</u></b>		
India	15,464	13,631
Europe*	4,312	378
Saudi Arabia	3,158	2,542
Others*	65	209
<b><u>Discontinued operations</u></b>		
India	29,302	27,399
Europe*	6,496	11,050
China	4,418	2,052
The United States of America	2,355	1,694
Mexico	1,729	2,957
Saudi Arabia	552	418
Others*	18,132	10,475
<b>Total</b>	<b>85,983</b>	<b>72,805</b>

\*₹ 873 Crore has been reclassified from Others to Europe for the previous year ended 31 March 2025.

The following is an analysis of the carrying amount of non-current assets, excluding deferred tax assets and financial assets, analysed by the geographical area in which the assets are located:

(₹ in Crore)

<b>Carrying Amount of Segment Assets</b>	<b>As at 31 March 2026</b>
<b><u>Continuing operations</u></b>	
India	2,552
<b><u>Discontinued operations</u></b>	
India	65,190
<b>Total</b>	<b>67,742</b>

<b>Carrying Amount of Segment Assets</b>	<b>As at 31 March 2025</b>
India	63,014
<b>Total</b>	<b>63,014</b>



**Vedanta Limited****Notes forming part of the financial statements as at and for the year ended 31 March 2026****C) Information about major customers**

During the current year, the Company had single external customer from which there was more than 10% of Company's total "Revenue from Operations" amounting to ₹ 11,190 Crores, this revenue is attributed to the Aluminium and Copper segment. During the previous year there was no customer from which the Company has more than 10% of Company's total "Revenue from Operations".

**D) Disaggregation of revenue**

Below table summarises the disaggregated revenue from contract with customers:

(₹ in Crore)

Particulars	Year ended 31 March 2026	Year ended 31 March 2025
<b>Continuing operations</b>		
Copper Cathode	20,928	16,146
Others	2,001	569
<b>Discontinued operations</b>		
Oil	3,902	4,570
Gas	1,425	1,706
Aluminium products	47,155	42,018
Iron Ore	2,671	2,359
Metallurgical coke	178	134
Pig Iron	3,095	2,960
Power	1,836	678
Others	3,477	2,257
<b>Revenue from contracts with customers*</b>	<b>86,668</b>	<b>73,397</b>
Loss from provisionally priced contracts under Ind AS 109	(685)	(592)
<b>Total Revenue</b>	<b>85,983</b>	<b>72,805</b>

\*includes revenues from sale of services aggregating to ₹ 78 Crore of which ₹ 63 Crore relates to discontinued operations (31 March 2025: ₹ 152 Crore, of which ₹ 135 Crore relates to discontinued operations) which is recorded over a period of time and the balance revenue is recognised at a point in time.



## 5 Property, Plant and equipment, Intangible assets, Capital work-in-progress and Exploration intangible assets under development

Particulars	Property, Plant and equipment										Total	Capital Work in progress (CWIP)	Exploration intangible assets under development	Total including capital work in progress and exploration intangible assets under development		
	Freehold Land	Buildings	Plant and equipment	Oil & gas producing facilities	Furniture and fixtures	Vehicles	Office equipment	Right of Use assets	Total							
<b>Gross Block</b>																
<b>As at 01 April 2024</b>	955	7,721	56,714	57,876	196	335	453	659	124,909	25,989	3,683	154,781				
Additions	-	(2)	670	-	2	8	33	257	968	5,433	693	7,094				
CWIP written off	-	-	-	-	-	-	-	-	-	(3,451)	-	(9)				
Transfers/ Reclassifications*	13	181	2,908	331	1	1	7	-	3,442	-	-	(878)				
Disposals/ Adjustments	-	(21)	(762)	(28)	(1)	(9)	(57)	-	(878)	-	(455)	(455)				
Exploration costs written off	-	-	-	-	-	-	-	-	-	-	91	2,300				
Exchange differences	5	41	274	1,489	2	-	(19)	3	1,795	414	-	2,300				
<b>As at 31 March 2025</b>	<b>973</b>	<b>7,920</b>	<b>59,804</b>	<b>59,668</b>	<b>200</b>	<b>335</b>	<b>417</b>	<b>919</b>	<b>130,236</b>	<b>28,385</b>	<b>4,212</b>	<b>162,833</b>				
Additions	1	1	12	-	3	30	10	374	431	6,163	1,671	8,265				
CWIP written off	-	-	-	-	-	-	-	-	-	(349)	-	(349)				
Transfers/ Reclassifications*	22	971	8,389	601	181	1	2	-	10,167	(10,165)	-	2				
Disposals/ Adjustments	(1)	(33)	(688)	(53)	(1)	(12)	(15)	(11)	(814)	(12)	(1,252)	(826)				
Exploration costs written off	-	-	-	-	-	-	-	-	-	-	353	9,319				
Exchange differences	4	(3)	1,483	5,865	(172)	-	24	22	7,223	1,743	-	(1,252)				
<b>As at 31 March 2026 (Including discontinued operations)</b>	<b>999</b>	<b>8,856</b>	<b>69,000</b>	<b>66,081</b>	<b>211</b>	<b>354</b>	<b>438</b>	<b>1,304</b>	<b>147,243</b>	<b>25,765</b>	<b>4,984</b>	<b>177,992</b>				
Transferred to discontinued operations (Refer Note 45)	(935)	(8,329)	(66,471)	(66,081)	(172)	(338)	(403)	(1,246)	(143,975)	(24,940)	(4,935)	(173,850)				
<b>As at 31 March 2026</b>	<b>64</b>	<b>527</b>	<b>2,529</b>	<b>-</b>	<b>39</b>	<b>16</b>	<b>35</b>	<b>58</b>	<b>3,268</b>	<b>825</b>	<b>49</b>	<b>4,142</b>				
<b>Accumulated depreciation, depletion, amortisation and impairment</b>																
<b>As at 01 April 2024</b>	197	4,003	21,968	54,161	144	181	422	191	81,267	17,154	1,585	100,006				
Charge for the year	4	219	2,612	954	4	24	26	169	4,012	-	-	4,012				
Disposals/ Adjustments	-	(13)	(564)	(7)	-	(7)	(57)	-	(641)	(743)	(30)	(641)				
Impairment charge/ (reversal) for the year	-	-	(5)	-	-	-	-	-	(5)	-	-	(778)				
Transfers/ Reclassifications*	-	-	-	-	-	-	-	-	-	-	-	-				
Exchange differences	4	40	267	1,357	1	-	(21)	2	1,650	386	40	2,076				
<b>As at 31 March 2025</b>	<b>205</b>	<b>4,249</b>	<b>24,278</b>	<b>56,472</b>	<b>149</b>	<b>198</b>	<b>370</b>	<b>362</b>	<b>86,283</b>	<b>16,797</b>	<b>1,595</b>	<b>104,675</b>				
Charge for the year	4	184	2,148	378	7	13	23	166	2,923	-	-	2,923				
Disposals/ Adjustments	-	(11)	(535)	-	-	(6)	(13)	(4)	(569)	(12)	-	(581)				
Impairment charge/ (reversal) for the year	-	-	-	-	-	-	-	-	-	-	-	-				
Transfers/ Reclassifications*	-	-	-	-	-	-	-	-	-	-	-	-				
Exchange differences	17	160	988	5,619	7	-	9	14	6,814	1,418	157	8,389				
<b>As at 31 March 2026 (Including discontinued operations)</b>	<b>226</b>	<b>4,582</b>	<b>26,879</b>	<b>62,469</b>	<b>163</b>	<b>205</b>	<b>389</b>	<b>538</b>	<b>95,451</b>	<b>18,203</b>	<b>1,752</b>	<b>115,406</b>				
Transferred to discontinued operations (Refer Note 45)	(205)	(4,110)	(25,129)	(62,469)	(126)	(197)	(354)	(487)	(93,077)	(17,528)	(1,752)	(112,357)				
<b>As at 31 March 2026</b>	<b>21</b>	<b>472</b>	<b>1,750</b>	<b>-</b>	<b>37</b>	<b>8</b>	<b>35</b>	<b>51</b>	<b>2,374</b>	<b>675</b>	<b>-</b>	<b>3,049</b>				
<b>Net Book Value/Carrying amount</b>																
As at 01 April 2024	758	3,718	34,746	3,715	52	154	31	468	43,642	8,835	2,298	54,775				
As at 31 March 2025	768	3,671	35,526	3,196	51	137	47	557	43,953	11,588	2,617	58,158				
<b>As at 31 March 2026</b>	<b>43</b>	<b>55</b>	<b>779</b>	<b>-</b>	<b>2</b>	<b>8</b>	<b>-</b>	<b>7</b>	<b>894</b>	<b>150</b>	<b>49</b>	<b>1,093</b>				

\* Transfers/reclassification majority includes capitalisation of CWIP to respective class of assets



**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

**5 Right of Use (ROU) assets**

(₹ in Crore)

Particulars	ROU Land	ROU Building	ROU Plant and Equipment	Total
<b>Right of Use assets</b>				
<b>Gross Block</b>				
<b>As at 01 April 2024</b>	413	47	199	659
Additions	10	36	211	257
Transfers/ Reclassifications	(160)	-	160	-
Exchange differences	-	1	2	3
<b>As at 31 March 2025</b>	<b>263</b>	<b>84</b>	<b>572</b>	<b>919</b>
Additions	92	59	223	374
Transfers/ Reclassifications	-	-	-	-
Exchange differences	-	11	11	22
Disposals/ Adjustments	(6)	-	(5)	(11)
<b>As at 31 March 2026 (Including discontinued operations)</b>	<b>349</b>	<b>154</b>	<b>801</b>	<b>1,304</b>
Transferred to discontinued operations (Refer Note 45)	(291)	(154)	(801)	(1,246)
<b>As at 31 March 2026</b>	<b>58</b>	<b>-</b>	<b>-</b>	<b>58</b>
<b>Accumulated depreciation and impairment</b>				
<b>As at 01 April 2024</b>	105	45	41	191
Charge for the year	15	1	153	169
Impairment charge for the year	-	-	-	-
Exchange differences	-	1	1	2
<b>As at 31 March 2025</b>	<b>120</b>	<b>47</b>	<b>195</b>	<b>362</b>
Charge for the year	10	4	152	166
Disposals/ Adjustments	(4)	-	-	(4)
Exchange differences	-	5	9	14
<b>As at 31 March 2026 (Including discontinued operations)</b>	<b>126</b>	<b>56</b>	<b>356</b>	<b>538</b>
Transferred to discontinued operations (Refer Note 45)	(75)	(56)	(356)	(487)
<b>As at 31 March 2026</b>	<b>51</b>	<b>-</b>	<b>-</b>	<b>51</b>
<b>Net Book Value/Carrying amount</b>				
As at 01 April 2024	308	2	158	468
As at 31 March 2025	143	37	377	557
<b>As at 31 March 2026</b>	<b>7</b>	<b>-</b>	<b>-</b>	<b>7</b>



**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

**5 Intangible Assets**

(₹ in Crore)

Particulars	Software License	Right of Use Assets - Cloud	Mining Rights	Total
<b>Gross Block</b>				
<b>As at 01 April 2024</b>	124	151	1,267	1,542
Additions	14	2	-	16
Transfers/ Reclassifications	10	-	-	10
Disposals/ Adjustments	(4)	-	-	(4)
Exchange differences	(1)	-	-	(1)
<b>As at 31 March 2025</b>	<b>143</b>	<b>153</b>	<b>1,267</b>	<b>1,563</b>
Additions	24	-	-	24
Transfers/ Reclassifications	-	-	-	-
Disposals/ Adjustments	(6)	-	-	(6)
Exchange differences	(10)	7	-	(3)
<b>As at 31 March 2026 (Including discontinued operations)</b>	<b>151</b>	<b>160</b>	<b>1,267</b>	<b>1,578</b>
Transferred to discontinued operations (Refer Note 45)	(114)	(144)	(1,267)	(1,525)
<b>As at 31 March 2026</b>	<b>37</b>	<b>16</b>	<b>-</b>	<b>53</b>
<b>Accumulated amortisation and impairment</b>				
<b>As at 01 April 2024</b>	105	20	241	366
Charge for the year	7	39	16	62
Disposals/ Adjustments	(4)	-	21	17
Impairment charge/ (reversal) for the year (Refer note 34)	-	-	-	-
Transfers / Reclassifications	-	-	-	-
Exchange differences	-	-	-	-
<b>As at 31 March 2025</b>	<b>108</b>	<b>59</b>	<b>278</b>	<b>445</b>
Charge for the year	15	27	11	53
Disposals/ Adjustments	(6)	-	-	(6)
Impairment charge/(reversal) for the year (note 34)	-	-	-	-
Transfers / Reclassifications	-	-	-	-
Exchange differences	7	4	-	11
<b>As at 31 March 2026 (Including discontinued operations)</b>	<b>124</b>	<b>90</b>	<b>289</b>	<b>503</b>
Transferred to discontinued operations (Refer Note 45)	(93)	(83)	(289)	(465)
<b>As at 31 March 2026</b>	<b>31</b>	<b>7</b>	<b>-</b>	<b>38</b>
<b>Net Book Value/Carrying amount</b>				
As at 01 April 2024	19	131	1,026	1,176
As at 31 March 2025	35	94	989	1,118
<b>As at 31 March 2026</b>	<b>6</b>	<b>9</b>	<b>-</b>	<b>15</b>



5 Capital Work-In-Progress (CWIP) Ageing Schedule

(₹ in Crore)

CWIP	As at 31 March 2026			As at 31 March 2025		
	Projects in progress	Projects temporarily suspended	Total	Projects in progress	Projects temporarily suspended	Total
Less than 1 year	4,425	-	4,425	4,569	-	4,569
1-2 years	1,462	-	1,462	2,048	-	2,048
2-3 years	560	-	560	2,049	-	2,049
More than 3 years	991	124	1,115	2,447	475	2,922
Less: Transferred to discontinued operations (Refer Note 45)	(7,402)	(10)	(7,412)	-	-	-
<b>Total</b>	<b>36</b>	<b>114</b>	<b>150</b>	<b>11,113</b>	<b>475</b>	<b>11,588</b>

CWIP completion schedule for projects whose completion is overdue or has exceeded its cost compared to its original plan: (₹ in Crore)

CWIP	As at 31 March 2026			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
<b>Projects in Progress</b>				
<b>Discontinued operations:</b>				
RDG gas Project	58	-	-	-
Oil & Gas development CWIP	1,359	-	-	-
Others	468	-	-	-
<b>Projects temporarily suspended</b>				
<b>Discontinued operations:</b>				
Others	-	-	-	11

(₹ in Crore)

CWIP	As at 31 March 2025			
	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
<b>Projects in Progress</b>				
Jharsuguda 1.25 MTPA aluminium smelter Project	1,537	-	-	-
Lanjigarh alumina 2-5 MTPA expansion Project	4,065	-	-	-
RDG gas Project	86	-	-	-
Oil & Gas development CWIP	1,274	352	-	-
<b>Projects temporarily suspended</b>				
Lanjigarh alumina 5-6 MTPA expansion Project	-	-	-	349
Others	-	-	-	11

Exploration intangible assets under development Ageing Schedule

(₹ in Crore)

Intangible assets under development	As at 31 March 2026	As at 31 March 2025
	Projects in progress	Projects in progress
Less than 1 year	1,253	243
1-2 years	342	342
2-3 years	647	452
More than 3 years	990	1,580
Less: Transferred to discontinued operations (Refer Note 45)	(3,183)	-
<b>Total</b>	<b>49</b>	<b>2,617</b>



Vedanta Limited

Notes forming part of the financial statements as at and for the year ended 31 March 2026

Title deeds of immovable properties not held in the name of Company

(₹ in Crore)

Relevant line item in the Balance sheet	Description of item of property	Gross block as at 31 March 2026	Gross block as at 31 March 2025	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
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Continuing Operations:

Property, plant and equipment	Land	53	53	Erstwhile Sterlite Industries (India) Limited, that merged with the Company	No	1965-2012*	The title deeds are in the names of erstwhile companies that merged with the Company under Section 391 to 394 of the erstwhile Companies Act, 1956, pursuant to Schemes of Amalgamation and Arrangement, as approved by the Honourable High Courts.
	ROU Land	50	50		No	1993-2009*	

Discontinued Operations:

Property, Plant and Equipment	Land & Building	2,026	1,844	Oil and Natural Gas Corporation Limited (ONGC) and Cairn India Limited (now a division of the Company)	No	10 April 2009	The title deeds of Oil & Gas exploration blocks jointly owned by the JV partners are in the name of ONGC, being the licensee of these exploration blocks.
	Land	20	20	Erstwhile Vedanta Aluminium Limited, that merged with the Company	No	2008-2012*	The title deeds are in the names of erstwhile companies that merged with the Company under Section 391 to 394 of the erstwhile Companies Act, 1956 pursuant to Schemes of Amalgamation and Arrangement as approved by the Hon'ble High Courts.

\* Multiple dates of acquisitions during the period disclosed.

Notes

- Plant and equipment include refineries, smelters, power plants, railway sidings, ships, river fleet and related facilities.
- Certain property, plant and equipment are pledged as security against borrowings, the details related to which have been described in Note 17 on "Borrowings".
- Property, Plant and Equipment, Capital work-in-progress and exploration and evaluation assets net block includes share of jointly owned assets with the joint venture partners amounting to ₹7,982 Crore (disclosed under discontinued operations) (31 March 2025: ₹ 7,284 Crore).
- Reconciliation of depreciation, depletion and amortisation expense

(₹ in Crore)

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
<b>Depreciation/Depletion/Amortisation expense on:</b>		
Property, Plant and Equipment (Including ROU assets)	2,923	4,011
Intangible assets	53	62
<b>As per Property, Plant and Equipment and Intangible assets schedule</b>	<b>2,976</b>	<b>4,073</b>
Less: Cost allocated to joint ventures and other adjustments	(50)	(42)
Less: Transferred to discontinued operations (Refer Note 45)	(2,888)	(3,996)
<b>As per Statement of Profit and Loss</b>	<b>38</b>	<b>35</b>

- Freehold land includes gross block of ₹211 Crore (disclosed under discontinued operations) (31 March 2025: ₹ 181 Crore), accumulated depreciation ₹189 Crore (disclosed under discontinued operations) (31 March 2025: ₹ 168 Crore), which is available for use during the lifetime of the Production Sharing Contract of the respective Oil and Gas blocks.
- During the year ended 31 March 2026, interest capitalised was ₹ 683 Crore (disclosed under discontinued operations) (31 March 2025: ₹ 789 Crore (disclosed under discontinued operations)).



Vedanta Limited

Notes forming part of the financial statements as at and for the year ended 31 March 2026

6 Financial Assets : Investments

A) Non Current Investments

Particulars	As at 31 March 2026			As at 31 March 2025		
	No.		Amount (₹ in Crore)	No.		Amount (₹ in Crore)
(a) Investment in equity shares - at cost/deemed cost <sup>a</sup> (fully paid up unless otherwise stated)						
<b>Subsidiary companies</b>						
<b>Quoted (Continuing operations)</b>						
- Hindustan Zinc Limited, of ₹ 2 each <sup>b</sup> (Refer Note 17) (Refer note 3(d)(ii))	2,56,52,71,353		41,519	2,67,95,48,419		43,368
<b>Unquoted</b>						
<b>Continuing operations:</b>						
- Incab Industries limited, of ₹ 10 each (Refer note 3(d)(iii))			-			-
- Monte Cello BV, The Netherlands, of Euro 453.78 each	40		204	40		204
- Vizag General Cargo Berth Private Limited, of ₹ 10 each (including 6 shares held jointly with nominees)	4,71,08,000		182	4,71,08,000		182
- THL Zinc Ventures Ltd, of 1 ordinary share of US\$ 1 and 60,89,000 Ordinary Shares of US\$ 100 each (31 March 2025: 1 ordinary share of US\$ 1 and 60,89,000 Ordinary Shares of US\$ 100 each) <sup>c</sup>	60,89,001	6,902		60,89,001	5,300	
Less: Reduction pursuant to merger <sup>c</sup>		(46)	6,856		(46)	5,254
- THL Zinc Holding BV, of EURO 1 each	37,38,000	23		37,38,000	23	
Less: Reduction pursuant to merger <sup>c</sup>		(23)	-		(23)	-
- Ferro Alloys Corporation Limited, of ₹ 1 each (including 6 shares held jointly with nominees)	34,00,00,000		37	34,00,00,000		37
- Vedanta Displays Limited, of ₹ 1 each (including 6 shares held jointly with nominees)	25,95,00,000		26	25,95,00,000		26
- Vedanta Semiconductors Private Limited, of ₹ 1 each (including 6 shares held jointly with nominees)	48,82,00,000		49	48,82,00,000		49
- Vedanta Copper International VCI Limited, of SAR 100 each	1,96,875		70	1,000		0
- Vedanta Base Metals Limited, of ₹ 1 each (including 6 shares held jointly with nominees)	1,00,000		0	1,00,000		0
- MALCO Energy Limited, of ₹ 2 each (including 6 shares held jointly with nominees)	2,33,66,406	116		2,33,66,406	116	
Less: Reduction pursuant to merger <sup>c</sup>		(23)	93		(23)	93
<b>Discontinued operations:</b>						
- Bharat Aluminium Company Limited, of ₹ 10 each (including 5 shares held jointly with nominees) <sup>d</sup> (Refer note 45)	-		-	11,25,18,495		553
- Cairn India Holdings Limited (CIHL) of GBP 1 each (Refer Note 34 (d)) (Refer note 45)	-		-	26,64,89,074	23,811	
Less: Reduction pursuant to merger <sup>c</sup>	-		-		(15,067)	8,744
- Talwandi Sabo Power Limited, of ₹ 10 each (including 6 shares held jointly with nominees) (Refer note 45)	-		-	3,20,66,09,692		3,207
- Sesa Resources Limited, of ₹ 10 each (including 6 shares held jointly with nominees) (Refer note 45)	-		-	12,50,000		757
- Bloom Fountain Limited, of US\$ 1 each (Refer note 45)	-		-	2,20,10,00,001	14,734	
Less: Reduction pursuant to merger <sup>c</sup>	-		-		(14,320)	414
- ESL Steel Limited, of ₹ 10 each (including 6 shares held jointly with nominees) (Refer note 45)	-		-	1,76,55,53,040		1,770



Vedanta Limited  
Notes forming part of the financial statements as at and for the year ended 31 March 2026

6 Financial Assets : Investments

A) Non Current Investments

Particulars	As at 31 March 2026			As at 31 March 2025		
	No.		Amount (₹ in Crore)	No.		Amount (₹ in Crore)
Vedanta Aluminium Metal Limited, of ₹ 1 each (including 6 shares held jointly with nominees) (Refer note 45)	-		-	1,00,000		0
Vedanta Iron and Steel Limited, of ₹ 1 each (including 6 shares held jointly with nominees) (Refer note 45)	-		-	1,00,000		0
Meenakshi Energy Limited, of ₹ 10 each (including 6 shares held jointly with nominees) (Refer note 45)	-		-	10,00,000		1
Sesa Iron and Steel Limited, of ₹ 10 each (including 6 shares held jointly with nominees) (Refer note 45)	-		-	10,000		0
<b>Associate companies - unquoted (Continuing operations)</b>						
- Gaurav Overseas Private Limited, of ₹ 10 each	14,23,000		1	14,23,000		1
<b>Investment in equity shares at fair value through other comprehensive income</b>						
<b>Quoted (Continuing operations)</b>						
- Sterlite Technologies Limited, of ₹ 2 each	47,64,295		84	47,64,295		39
- Sterlite Network Limited, of ₹ 2 each***	47,64,295		6	-		-
<b>Unquoted (Continuing operations)</b>						
- Sterlite Electric Limited (previously known as Sterlite Power Transmission Limite, of ₹ 2 each*	19,05,718		1	19,05,718		10
- Sterlite Grid 5 Limited, of ₹ 2 each*	19,05,718		10	19,05,718		1
- Goa Shipyard Limited of ₹ 5 each	2,50,828		0	2,50,828		0
- Serentica Renewables India 3 Private Limited, Class B Equity Shares with Differential Voting Rights of ₹ 10 each (Refer Note 38 (A) (ii) and 39)**	45,00,000		5	8,10,00,000		81
<b>(b) Investment in preference shares of subsidiary companies - at cost</b>						
<b>Unquoted</b>						
<b>Continuing operations:</b>						
- THL Zinc Holding BV, 0.25% Optionally Convertible Redeemable Preference shares of EURO 1 each	36,04,179	1,635		36,04,179	1,635	
Less: Reduction pursuant to merger <sup>c</sup>		(1,635)			(1,635)	
<b>Discontinued operations:</b>						
- Bloom Fountain Limited, 0.25% Optionally Convertible Redeemable Preference shares of US\$ 1 each (Refer note 45)	-		-	18,59,900		907
- Bloom Fountain Limited, 0.25% Optionally Convertible Redeemable Preference shares of US\$ 100 each (Refer note 45)	-		-	3,60,500		215
<b>(c) Investment in Preference shares - Unquoted at fair value through profit and loss</b>						
<b>Continuing operations:</b>						
- Serentica Renewables India 3 Private Limited, 0.0001% Optionally Convertible Redeemable Preference shares of ₹ 10 each (Refer Note 38 (A) (ii) and 39)	1,18,30,000		12	79,80,000		8



**Vedanta Limited**  
Notes forming part of the financial statements as at and for the year ended 31 March 2026

**6 Financial Assets : Investments**

**A) Non Current Investments**

Particulars	As at 31 March 2026			As at 31 March 2025		
	No.		Amount (₹ in Crore)	No.		Amount (₹ in Crore)
<b>Discontinued operations:</b>						
- Serentica Renewables India 3 Private Limited, 0.0001% Optionally Convertible Redeemable Preference shares of ₹ 10 each (Refer Note 38 (A) (ii) and 39)	-		-	10,52,00,000		105
- Serentica Renewables India 9 Private Limited, 0.0001% Optionally Convertible Redeemable Preference shares of ₹ 10 each (Refer Note 38 (A) (ii) and 39)	-		-	11,50,00,000		115
- Serentica Renewables India 6 Private Limited, 0.0001% Optionally Convertible Redeemable Preference shares of ₹ 10 each (Refer Note 38 (A) (ii) and 39)	-		-	5,00,00,000		50
<b>(d) Investment in Government or Trust securities at cost / amortised cost (Continuing operations)</b>						
- 7 Years National Savings Certificates (31 March 2026: ₹ 35,450; 31 March 2025: ₹ 35,450) (Deposit with Sales Tax Authority)	NA		0	NA		0
- UTI Master gain of ₹ 10 each (31 March 2026: ₹ 4,072; 31 March 2025: ₹ 4,072)	100		0	100		0
- Vedanta Limited ESOS Trust (31 March 2026: ₹ 5,000; 31 March 2025: ₹ 5,000)	NA		0	NA		0
<b>(e) Investments in debentures of subsidiary companies at cost / amortised cost</b>						
<b>Discontinued operations :</b>						
- MALCO Energy Limited, compulsorily convertible debentures of ₹ 1,000 each (Refer note 45)	-		-	6,13,54,483	6,136	
Less: Reduction pursuant to merger <sup>c</sup>	-		-		(6,118)	18
- Meenakshi Energy Limited, optionally convertible debentures of ₹ 58,364 each (Refer note 45)	-		-	1,01,121		590
<b>(f) Investments in Co-operative societies at fair value through profit and loss (Continuing operations)</b>						
- Sesa Ghor Premises Holders Maintenance Society Limited, of ₹ 200 each (31 March 2026: ₹ 8,000; 31 March 2025: ₹ 8,000)	40		0	40		0
- Sesa Goa Sirsaim Employees Consumers Co-operative Society Limited, of ₹ 10 each (31 March 2026: ₹ 2,000; 31 March 2025: ₹ 2,000)	200		0	200		0
- Sesa Goa Sanquelim Employees Consumers Co-operative Society Limited, of ₹ 10 each (31 March 2026: ₹ 2,300; 31 March 2025: ₹ 2,300)	230		0	230		0
-Sesa Goa Sonshi Employees Consumers Co-operative Society Limited, of ₹ 10 each (31 March 2026: ₹ 4,680; 31 March 2025: ₹ 4,680)	468		0	468		0
-Sesa Goa Codli Employees Consumers Co-operative Society Limited, of ₹ 10 each (31 March 2026: ₹ 4,500; 31 March 2025: ₹ 4,500)	450		0	450		0



**Vedanta Limited**

Notes forming part of the financial statements as at and for the year ended 31 March 2026

**6 Financial Assets : Investments**

**A) Non Current Investments**

Particulars	As at 31 March 2026			As at 31 March 2025		
	No.		Amount (₹ in Crore)	No.		Amount (₹ in Crore)
- Sesa Goa Shipyard Employees Consumers Co-operative Society Limited, of ₹ 10 each (31 March 2026: ₹ 5,000; 31 March 2025: ₹ 5,000)	500		0	500		0
- The Mapusa Urban Cooperative Bank Limited, of ₹ 25 each (31 March 2026: ₹ 1,000; 31 March 2025: ₹ 1,000)	40		0	40		0
<b>(g) Investment in Bonds/ Debentures - Unquoted at fair value through profit and loss (Continuing operations)</b>						
- Infrastructure Leasing & Financial Services Limited			19			19
<b>Less: Provision for diminution in value of investments in: (Discontinued operations)</b>						
Bloom Fountain Limited (Refer note 45)			-			(756)
Sesa Resources Limited (Refer note 45)			-			(750)
Cairn India Holdings Limited (Refer note 45)			-			(224)
<b>Total</b>			<b>49,174</b>			<b>65,088</b>
Aggregate amount of impairment			-			(1,730)
Aggregate carrying amount of quoted investments			41,603			43,407
Market value of quoted investments			1,28,912			1,23,834
Aggregate carrying amount of unquoted investments			7,571			21,681

\* Pursuant to the NCLT-approved Scheme of Arrangement, the Company's investment in Sterlite Power Transmission Limited ("SPTL") has been restructured following the demerger of Sterlite Grid 5 Limited ("SGL5") from SPTL effective 08 October 2024. Shareholders received 1 equity share of SGL5 for every 1 equity share of SPTL, with the cost of acquisition allocated from SPTL as 8% to SPTL and 92% to SGL5. The transaction qualifies as a tax-neutral demerger under Section 2 (19AA) of the Income Tax Act, 1961.

\*\* On 25 June 2024, OCRPS worth of ₹ 81 Crore are converted into equity shares with differential voting rights of Serentica Renewables India 3 Private Limited ("SRI3PL") as per terms of the Power Delivery Agreement ("PDA"). Accordingly, these shares have been reclassified from Investments at fair value through profit and loss to Investments at fair value through other comprehensive income.

\*\*\* Pursuant to the NCLT-approved Scheme of Arrangement, the Company's investment in Sterlite Technologies Limited has been restructured following the demerger of Sterlite Technologies Limited and STL Networks Limited effective from the close of business on March 31, 2025. Shareholders received 1 equity share of STL Networks Limited for every 1 equity share of Sterlite Technologies Limited, with the cost of acquisition allocated as 42.33 % of Sterlite Technologies Limited and 57.77 % of STL Networks Limited. The transaction qualifies as a tax-neutral demerger under Section 2 (19AA) of the Income Tax Act, 1961.

**Following is the key information of significant investee entities, as required by Ind AS 27- Separate Financial Statements:**

Particulars	Principal place of business	Ownership Interest (in %)	
		As at 31 March 2026	As at 31 March 2025
<b>Subsidiary companies</b>			
<b>Continuing operations</b>			
Hindustan Zinc Limited	India	60.71	63.42
THL Zinc Ventures Ltd	Mauritius**	100.00	100.00
<b>Discontinued operations</b>			
Bharat Aluminium Company Limited	India	51.00	51.00
Cairn India Holdings Limited ("CIHL")	Jersey*	100.00	100.00
ESL Steel Limited	India	95.49	95.49
Talwandi Sabo Power Limited	India	100.00	100.00

\*CIHL through its wholly owned subsidiary, Cairn Energy Hydrocarbons Limited, incorporated in Scotland is involved in oil and gas exploration, development and production business in India.

\*\*THL Zinc Ventures Ltd holds 74% equity interest (through its wholly subsidiary THL Zinc Ltd) in Black Mountain Mining (Proprietary) Limited which is involved in exploration, development, production and sale of zinc, lead, copper and associated mineral concentrates in South Africa.



**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

- a. Carrying value of investment in equity shares of Hindustan Zinc Limited ("HZL") is at deemed cost and for all other subsidiaries, it is at the cost of acquisition.
- b. Pursuant to the Government of India's policy of divestment, the Company in March 2001 acquired 51% equity interest in BALCO from the Government of India. Under the terms of the SHA, the Company has a call option to purchase the Government of India's remaining ownership interest in BALCO at any point from 02 March 2004. The Company exercised this option on 19 March 2004. However, the Government of India has contested the valuation and validity of the option and contended that the clauses of the SHA violate the (Indian) Companies Act, 1956 by restricting the rights of the Government of India to transfer its shares and that as a result such provisions of the SHA were null and void. In the arbitration filed by the Company, the arbitral tribunal by a majority award rejected the claims of the Company on the grounds that the clauses relating to the call option, the right of first refusal, the "tag-along" rights and the restriction on the transfer of shares violate the erstwhile Companies Act, 1956 and are not enforceable. The Company has challenged the validity of the majority award in the Hon'ble High Court of Delhi and sought for setting aside the arbitration award to the extent that it holds these clauses ineffective and inoperative. The Government of India also filed an application before the High Court of Delhi to partially set aside the arbitral award in respect of certain matters involving valuation. The matter is currently pending for hearing by the Delhi High Court. Meanwhile, the Government of India without prejudice to its position on the Put / Call option issue has received approval from the Cabinet for divestment and the Government is looking to divest through the auction route.

On 09 January 2012, the Company offered to acquire the Government of India's interests in BALCO for ₹ 15,492 Crore. This offer was separate from the contested exercise of the call options, and Company proposed to withdraw the ongoing litigations in relation to the contested exercise of the options should the offer be accepted. To date, the offer has not been accepted by the Government of India and therefore, there is no certainty that the acquisition will proceed.

In view of the lack of resolution on the options, the non-response to the exercise and valuation request from the Government of India, the resultant uncertainty surrounding the potential transaction and the valuation of the consideration payable, the Company considers the strike price of the options to be at the fair value, which is effectively nil, and hence the call options have not been recognised in the financial statements.

- c. Reduction pursuant to merger of Cairn India Limited with Vedanta Limited accounted for in the year ended 31 March 2017.
- d. The Company has not recognised any deferred tax asset on impairment of investments, including amount reduced pursuant to merger (refer note c above) as the realisation of the same is not reasonably certain.
- e. As at the year ended 31 March 2025, the Company had made investment of ₹5,254 Crore (\$ 600 million), extended loan of ₹1,103 Crore (\$ 129 million) and provided financial guarantee of ₹ 3,257 Crore (US\$ 380 million) against the external borrowing of ₹ 2,991 Crore (US\$ 350 million) taken by its wholly owned subsidiary, THL Zinc Ventures Limited ("THLZVL"). The borrowing is primarily secured by the recoverable value of the Zinc International business ("VZI") which is held under THLZVL. As at the year ended March 31, 2025, the recoverable amount of VZI had been determined based on the fair value less cost of disposal approach, using the discounted cash flow method, a level 3 valuation technique in the fair value hierarchy. This is based on the cash generated by the extraction and sale of proved and probable reserves during the estimated predetermined life of mine ("LOM") / natural estimated resources outside LOM after deducting costs of closure and rehabilitation on expiry of LOM. The cash flows are discounted using the post tax weighted average cost of capital ("WACC") is 12.99%. The resultant recoverable amount is higher than the carrying value/ exposure value as mentioned above and hence no impairment/ expected credit loss has been considered necessary. Based on the sensitivities carried out by the Company, change in WACC assumptions by 1% would lead to a change in recoverable value by ₹ 838 Crore (US\$ 98 million).



Vedanta Limited

Notes forming part of the financial statements as at and for the year ended 31 March 2026

Particulars	(₹ in Crore)	
	As at 31 March 2026	As at 31 March 2025
<b>Investments carried at fair value through profit and loss</b>		
Investment in mutual funds- unquoted	745	1,678

Particulars	(₹ in Crore)					
	As at 31 March 2026			As at 31 March 2025		
	Non-current	Current	Total	Non-current	Current	Total
<b>Unsecured, considered good</b>						
Loans to related parties (Refer note 39 and 40(c))	33	600	633	1,886	785	2,671
Loans and advances to employees	-	-	-	-	1	1
<b>Unsecured, considered credit impaired</b>						
Loans to related parties (Refer note 39)	-	-	-	-	5	5
Less: Loss Allowance	-	-	-	-	(5)	(5)
<b>Total</b>	<b>33</b>	<b>600</b>	<b>633</b>	<b>1,886</b>	<b>786</b>	<b>2,672</b>

Particulars	(₹ in Crore)					
	As at 31 March 2026			As at 31 March 2025		
	Non-current	Current	Total	Non-current	Current	Total
Trade receivables considered good - Secured	-	685	685	-	258	258
Trade receivables considered good - Unsecured	-	196	196	634	1,746	2,380
Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-
Trade receivables - credit impaired	-	4	4	973	36	1,009
Less: Allowance for bad and doubtful debts	-	(4)	(4)	(973)	(36)	(1,009)
<b>Total</b>	<b>-</b>	<b>881</b>	<b>881</b>	<b>634</b>	<b>2,004</b>	<b>2,638</b>

Trade receivables ageing schedule

Particulars	Outstanding for following periods from due date of payment as at 31st March 2026							Total
	Unbilled dues	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
<b>Non-Current</b>								
Undisputed Trade receivables - considered good	-	-	-	-	-	-	-	-
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade receivables - credit impaired	-	-	-	-	-	-	-	-
<b>Sub-total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Current</b>								
Undisputed Trade receivables - considered good	-	72	699	73	37	-	-	881
Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade receivables - credit impaired	-	-	-	-	-	-	4	4
Disputed Trade receivables - considered good	-	-	-	-	-	-	-	-
Disputed Trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-



Vedanta Limited

Notes forming part of the financial statements as at and for the year ended 31 March 2026

Disputed Trade receivables – credit impaired	-	-	-	-	-	-	-	-
<b>Sub-total</b>	-	<b>72</b>	<b>699</b>	<b>73</b>	<b>37</b>	-	<b>4</b>	<b>885</b>
<b>Total</b>	-	<b>72</b>	<b>699</b>	<b>73</b>	<b>37</b>	-	<b>4</b>	<b>885</b>
Less: Allowance for bad and doubtful debts								(4)
<b>Total</b>								<b>881</b>

Particulars	Outstanding for following periods from due date of payment as at 31st March 2025							Total
	Unbilled dues	Not due	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
<b>Non-Current</b>								
Undisputed Trade receivables – considered good	-	-	-	-	-	-	-	-
Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade receivables – credit impaired	-	-	-	-	-	-	-	-
Disputed Trade receivables – considered good	-	-	111	141	165	64	153	634
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	973	973
<b>Sub-total</b>	-	-	<b>111</b>	<b>141</b>	<b>165</b>	<b>64</b>	<b>1,126</b>	<b>1,607</b>
<b>Current</b>								
Undisputed Trade receivables – considered good	71	497	1,392	32	12	-	-	2,004
Undisputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed Trade receivables – credit impaired	-	-	-	23	-	4	-	27
Disputed Trade receivables – considered good	-	-	-	-	-	-	-	-
Disputed Trade receivables – which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed Trade receivables – credit impaired	-	-	-	-	-	-	9	9
<b>Sub-total</b>	<b>71</b>	<b>497</b>	<b>1,392</b>	<b>55</b>	<b>12</b>	<b>4</b>	<b>9</b>	<b>2,040</b>
<b>Total</b>	<b>71</b>	<b>497</b>	<b>1,503</b>	<b>196</b>	<b>177</b>	<b>68</b>	<b>1,135</b>	<b>3,647</b>
Less: Allowance for bad and doubtful debts								(1,009)
<b>Total</b>								<b>2,638</b>



**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

- (a) The credit period given to customers is up to 180 days (31 March 2025: 180 days). Also refer note 22(C)(d).  
 (b) For amounts due and terms and conditions relating to related party receivables, see note 39.  
 (c) Trade receivables includes ₹ 634 Crore, net of Provision for expected credit loss ("ECL") of ₹ 200 Crore recognised on account of time value of money as at 31 March 2026 (disclosed under discontinued operations, refer note 45) (31 March 2025: ₹ 634 Crore, net of ECL of ₹ 200 Crore) withheld by GRIDCO Limited ("GRIDCO") primarily on account of litigation and alleged short-supply of power by the Company under the terms of long term power supply agreement.

Out of the above, ₹ 341 Crore, net of ECL of ₹ 107 Crore as at 31 March 2026 (31 March 2025: ₹ 341 Crore, net of ECL of ₹ 107 Crore) relates to the amounts withheld by GRIDCO due to tariff adjustments on account of transmission line constraints in respect of which GRIDCO's appeal against order of APTEL is pending before the Hon'ble Supreme Court of India and ₹ 218 Crore, net of ECL of ₹ 68 Crore (31 March 2025: ₹ 223 Crore, net of ECL of ₹ 63 Crore) relates to alleged short supply of power for which the Company's appeal on certain grounds are pending before APTEL.

- (d) Trade receivables does not include any receivables from directors and officers of the Company.  
 (e) The total trade receivables as at 01 April 2024 were ₹ 2,537 Crore (net of provision for ECL).

**9 Financial assets - Others** (₹ in Crore)

Particulars	As at 31 March 2026			As at 31 March 2025		
	Non-current	Current	Total	Non-current	Current	Total
Bank deposits whose original maturity is more than 12 months <sup>a, b, c</sup>	-	269	269	688	569	1,257
Site restoration asset <sup>b</sup>	-	-	-	956	-	956
<b>Unsecured, considered good</b>						
Security deposits	17	0	17	300	28	328
Advance recoverable (Oil and Gas Business)	-	-	-	-	4,179	4,179
Others <sup>a</sup>	4	10	14	131	1,147	1,278
Receivable from related parties (Refer note 39)	-	86	86	-	1,093	1,093
<b>Unsecured, considered credit impaired</b>						
Security deposits	15	-	15	15	1	16
Others <sup>a</sup>	-	2	2	385	527	912
Less: Loss Allowance	(15)	(2)	(17)	(400)	(528)	(928)
<b>Total</b>	<b>21</b>	<b>365</b>	<b>386</b>	<b>2,075</b>	<b>7,016</b>	<b>9,091</b>

- (a) Bank deposits includes fixed deposits with maturity more than 12 months of ₹ 369 Crore (disclosed as discontinued operations, refer note 45) (31 March 2025: ₹ 145 Crore) under lien with bank, ₹ 2 Crore (disclosed as discontinued operations, refer note 45) (31 March 2025: ₹ 5 Crore) under lien with others, ₹ 208 Crore (disclosed as discontinued operations, refer note 45) (31 March 2025: ₹ 209 Crore) held as reserve created against principal payment on loans from banks, ₹ 2 Crore (disclosed as discontinued operations, refer note 45) (31 March 2025: ₹ 2 Crore) held as fixed deposit for closure cost, restricted fund of ₹ 232 Crore (disclosed as discontinued operations, refer note 45) (31 March 2025: ₹ 264 Crore) held as interest reserve created against interest payment on loans from banks and ₹ 269 Crore (31 March 2025: ₹ 63 Crore) held as margin money created against bank guarantee.  
 (b) Bank deposits and site restoration asset earns interest at fixed rate based on respective deposit rate.  
 (c) Bank deposits with original maturity of more than 12 months but less than 12 months remaining to mature are disclosed as "Current Financial assets - others" instead of "Other bank balances" earlier.  
 (d) Government of India (GoI) vide Office Memorandum ("OM") No. O-19025/10/2005-ONG-DV dated 01 February 2013 allowed for Exploration in the Mining Lease Area after expiry of Exploration period and prescribed the mechanism for recovery of such Exploration Cost incurred. Vide another Memorandum dated 24 October 2019, GoI clarified that all approved Exploration costs incurred on Exploration activities, both successful and unsuccessful, are recoverable in the manner as prescribed in the OM and as per the provisions of PSC. Accordingly, the Company has started recognizing revenue, for past exploration costs, through increased share in the joint operations revenue as the Company believes that cost recovery mechanism prescribed under OM for profit petroleum payable to GoI is not applicable to its Joint operation partner. During the year ended 31 March 2024, the Arbitration Tribunal has issued Final Partial Award which allowed for recovery of exploration costs. As at 31 March 2026, an amount of ₹ 1,290 Crore (US\$ 137 million) (disclosed as discontinued operations, refer note 45) (31 March 2025: ₹ 1,143 Crore (US\$ 134 million)) is receivable from its joint operation partner on account of this. The Company is actively engaging with Joint operation partner and the same will be recovered through revenue in due course.

**10 Other assets** (₹ in Crore)

Particulars	As at 31 March 2026			As at 31 March 2025		
	Non-current	Current	Total	Non-current	Current	Total
Capital advances	12	-	12	1,195	-	1,195
Advances for related party supplies (Refer note 39)	-	21	21	-	864	864
Advances for supplies	-	17	17	-	783	783
<b>Others</b>						
Balance with government authorities <sup>a</sup>	24	327	351	597	888	1,485
Loan to employee benefit trust	368	-	368	114	-	114
Others <sup>b</sup>	34	835	869	587	654	1,241
<b>Unsecured, considered doubtful</b>						
Capital advances	149	-	149	172	-	172
Balance with government authorities	-	107	107	3	107	110
Advance for supplies	-	5	5	-	63	63
Others <sup>b</sup>	200	-	200	205	2	207
Less: Loss Allowance	(349)	(112)	(461)	(380)	(172)	(552)
<b>Total</b>	<b>438</b>	<b>1,200</b>	<b>1,638</b>	<b>2,493</b>	<b>3,189</b>	<b>5,682</b>

- (a) Includes ₹ 34 Crore (disclosed as discontinued operations, refer note 45) (31 March 2025: ₹ 34 Crore), being Company's share of gross amount of ₹ 97 Crore (disclosed as discontinued operations, refer note 45) (31 March 2025: ₹ 97 Crore) paid under protest on account of Education Cess and Secondary Higher Education Cess for the financial year 2013-14.  
 (b) Others include claim receivables as at 31 March 2026 and claim receivables, advance recoverable (oil and gas business), prepaid expenses and export incentive receivables as at 31 March 2025.



**Vedanta Limited**  
Notes forming part of the financial statements as at and for the year ended 31 March 2026

Particulars	₹ in Crore)	
	As at 31 March 2026	As at 31 March 2025
Raw Materials	767	1,904
Goods-in transit	29	1,127
Work-in-progress	1,576	3,267
Finished goods	191	481
Fuel Stock	-	797
Goods-in transit	-	158
Stores and Spares	17	619
Goods-in transit	-	6
<b>Total</b>	<b>2,580</b>	<b>8,359</b>

- (a) For method of valuation for each class of inventories, refer note 3(a)(1).  
(b) Inventory held at net realisable value amounted to ₹ 2,580 Crore (31 March 2025: ₹ 2,461 Crore).  
(c) Write down of inventories amounting to ₹ 56 Crore has been charged to the Statement of Profit and Loss during the year (31 March 2025: ₹ 57 Crore).

Particulars	₹ in Crore)	
	As at 31 March 2026	As at 31 March 2025
Balances with banks <sup>a</sup>	237	1,967
Deposits with original maturity of less than 3 months (including interest accrued thereon) <sup>b</sup>	-	655
Cash on hand	-	0
<b>Total</b>	<b>237</b>	<b>2,622</b>

- (a) Including foreign inward remittances aggregating ₹ 544 Crore (US\$ 62 million) (disclosed as discontinued operations, refer note 45) (31 March 2025: ₹ 103 Crore (US\$ 12 million)) held by banks in their nostro accounts on behalf of the Company.  
(b) Bank deposits earn interest at fixed rate based on respective deposit rates.

Particulars	₹ in Crore)	
	As at 31 March 2026	As at 31 March 2025
Bank deposits with original maturity of more than 3 months but less than 12 months (including interest accrued thereon) <sup>a, b, d</sup>	123	1,129
Earmarked unpaid dividend accounts <sup>c</sup>	2,112	130
Earmarked escrow account <sup>d</sup>	-	3
<b>Total</b>	<b>2,235</b>	<b>1,262</b>

- (a) Includes ₹ 1,845 Crore (disclosed as discontinued operations, refer note 45) (31 March 2025: ₹ 34 Crore) on lien with banks and margin money of ₹ 123 Crore (31 March 2025: ₹ 117 Crore).  
(b) Restricted funds of ₹ 238 Crore (disclosed as discontinued operations, refer note 45) (31 March 2025: ₹ 29 Crore) on lien with others and ₹ 651 Crore (disclosed as discontinued operations, refer note 45) (31 March 2025: ₹ 617 Crore) held as margin money created against bank guarantee.  
(c) Earmarked unpaid dividend accounts are restricted in use as it relates to unclaimed or unpaid dividend, as per the provisions of the Act.  
(d) Earmarked escrow account is restricted in use as it relates to unclaimed redeemable preference shares.

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number (in Crore)	Amount (₹ in Crore)	Number (in Crore)	Amount (₹ in Crore)
<b>A. Authorised equity share capital</b>				
Opening and Closing balance [equity shares of ₹ 1/- each with voting rights]	4,402	4,402	4,402	4,402
<b>Authorised preference share capital</b>				
Opening and Closing balance [preference shares of ₹ 10/- each]	301	3,010	301	3,010
<b>B. Issued, subscribed and paid up</b>				
Equity shares of ₹ 1/- each with voting rights <sup>a, b, c</sup>	391	391	391	391
	<b>391</b>	<b>391</b>	<b>391</b>	<b>391</b>

- (a) Includes 2,98,632 (31 March 2025: 2,98,632) equity shares kept in abeyance. These shares are not part of listed equity capital and pending allotment as they are sub-judice.  
(b) Includes 55,86,325 (31 March 2025: 50,83,517) equity shares held by Vedanta Limited ESOS Trust ("VESOS Trust").  
(c) During the previous year ended 31 March 2025, the Company had allotted 19,31,81,818 equity shares on 20 July 2024 to eligible Qualified Institutional Buyers ("QIB") at a price of ₹ 440 per equity share (including a premium of ₹ 439 per equity share) aggregating to ~₹ 8,500 Crore pursuant to Qualified Institutions Placement ("QIP") in accordance with provisions of SEBI Issue of Capital and Disclosure Requirements ("ICDR") Regulations. Upto 31 March 2026, ₹ 6,375 crores were used for specific purposes of loan repayments, ₹ 2,061 crores were used for general corporate purposes and ₹64 crores were used towards corporate tax payments. As at 31 March 2026, all the QIP proceeds have been utilized. Necessary compliance certificates for "Use of Proceeds" have been obtained.



**Vedanta Limited**

Notes forming part of the financial statements as at and for the year ended 31 March 2026

**C. Shares held by the Ultimate holding company and its subsidiaries\***

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number of Shares held (in Crore)	% of holding	Number of Shares held (in Crore)	% of holding
Twin Star Holdings Ltd	156.48	40.02	156.48	40.02
Welter Trading	3.82	0.98	3.82	0.98
Vedanta Holdings Mauritius Limited	10.73	2.74	10.73	2.74
Vedanta Netherlands Investments BV	0.15	0.04	0.15	0.04
Vedanta Holdings Mauritius II Limited	49.28	12.60	49.28	12.60
<b>Total</b>	<b>220.46</b>	<b>56.38</b>	<b>220.46</b>	<b>56.38</b>

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

All the above entities are subsidiaries of Vedanta Incorporated (formerly known as Volcan Investments Limited) ("Vedanta Inc"), the ultimate holding Company.

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

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number of Shares held (in Crore)	% of holding	Number of Shares held (in Crore)	% of holding
Twin Star Holdings Ltd	156.48	40.02	156.48	40.02
Vedanta Holdings Mauritius II Limited	49.28	12.60	49.28	12.60
Life Insurance Corporation of India	18.49	4.73	26.99	6.90

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

As per the records of the Company, including its register of shareholders/ members, the above shareholding represents legal ownership of shares.

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

Promoter name	As at 31 March 2026			As at 31 March 2025	
	Number of Shares held (in Crore)	% of holding	% Change during the year	Number of Shares held (in Crore)	% of holding
Twin Star Holdings Ltd	156.48	40.02	0.00	156.48	40.02
Welter Trading Limited	3.82	0.98	0.00	3.82	0.98
Vedanta Holdings Mauritius II Limited	49.28	12.60	(0.00)	49.28	12.60
Vedanta Holdings Mauritius Limited	10.73	2.74	(0.00)	10.73	2.74
Vedanta Netherlands Investments BV	0.15	0.04	(0.00)	0.15	0.04
Mr. Pravin Agarwal	0.00	0.00	(0.00)	0.00	0.00
Ms. Suman Didwania	0.01	0.00	(0.00)	0.01	0.00
Mr. Ankit Agarwal	0.00	0.00	(0.00)	0.00	0.00
Ms. Sakshi Mody	0.00	0.00	(0.00)	0.00	0.00
<b>Total</b>	<b>220.47</b>	<b>56.38</b>	<b>(0.00)</b>	<b>220.47</b>	<b>56.38</b>

**F. Other disclosures**

- (i) The Company has one class of equity shares having a par value of ₹ 1 per share. Each shareholder is eligible for one vote per share held and dividend as and when declared by the Company. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend which is paid as and when declared by the Board of Directors. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.
- (iii) In terms of Scheme of Arrangement as approved by the Hon'ble High Court of Judicature at Mumbai, vide its order dated 19 April 2002, the erstwhile Sterlite Industries (India) Limited (merged with the Company during FY 2013-14) during FY 2002-2003 reduced its paid up share capital by ₹ 10 Crore. There are 1,98,343 equity shares (31 March 2025: 1,99,876 equity shares) of ₹ 1 each pending clearance from NSDL. The Company has filed an application in Hon'ble High Court of Mumbai to cancel these shares, the final decision on which is pending. Hon'ble High Court of Judicature at Mumbai, vide its interim order dated 06 September 2002 restrained any transaction with respect to subject shares.

**15 Other equity**

**A. Nature and purpose of reserves:**

- i) **General reserve:** Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable reserves for that year. Consequent to introduction of Companies Act, 2013 ("Act"), the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn.

The Board of Directors of the Company, on 29 October 2021, approved the Scheme of Arrangement between the Company and its shareholders under Section 230 and other applicable provisions of the Act ("Scheme"). The Scheme provides for capital reorganisation of the Company, inter alia, providing for transfer of amounts standing to the credit of the General Reserves to the Retained Earnings of the Company with effect from the Appointed Date.

Post the requisite approvals obtained from Stock Exchanges and pursuant to the National Company Law Tribunal ("NCLT"), Mumbai Bench Order dated 26 August 2022 ("NCLT Order"), the proposed scheme was approved by the shareholders with requisite majority on 11 October 2022.

The Company is in the process of complying with the further requirements specified in the NCLT Order.

- ii) **Securities premium:** The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the specific provisions of the Act.
- iii) **Preference share redemption reserve:** The Act provides that companies that issue preference shares may redeem those shares from profits of the Company which otherwise would be available for dividends, or from proceeds of a new issue of shares made for the purpose of redemption of the preference shares. If there is a premium payable on redemption, the premium must be provided for, either by reducing the additional paid in capital (securities premium account) or net income, before the shares are redeemed. If profits are used to redeem preference shares, the value of the nominal amount of shares redeemed should be transferred from profits (retained earnings) to the preference share redemption reserve. This amount should then be utilised for the purpose of redemption of redeemable preference shares. This reserve can be used to issue fully paid-up bonus shares to the shareholders of the Company.



**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

- iv) **Capital reserve:** The balance in capital reserve has mainly arisen consequent to merger of Cairn India Limited with the Company.
- v) **Foreign currency translation reserve:** The Statement of Profit and Loss of oil and gas business is translated into Indian Rupees (₹) at the average rates of exchange during the year/ exchange rates as on the date of the transaction and the Balance Sheet is translated at the exchange rate as at the reporting date. Exchange difference arising on translation is recognised in other comprehensive income and would be recycled to the statement of profit and loss as and when these operations are disposed off.
- vi) **Share Based Payment Reserve:** Share-based payments reserve represents amount of fair value, as on the date of grant, of unvested options and vested options not exercised till date, that have been recognised as expense in the statement of profit and loss till date.
- vii) **Hedging reserve:** 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.
- viii) **Instruments through OCI:** The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated in a separate reserved within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised. This reserve also includes changes in the fair value of debt instruments held with business objective of collect and sell. The Company transfers amounts from this reserve to the P&L when the debt instrument is sold. Any impairment loss on such instruments is reclassified immediately to the P&L.

**B. Movement of Reserves**

For movement of reserves, refer Statement of Changes in Equity.



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**Vedanta Limited****Notes forming part of the financial statements as at and for the year ended 31 March 2026****16 Capital management**

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of equity, internal fund generation and borrowings. The Company's policy is to use current and non-current borrowings to meet anticipated funding requirements. The Company has established a supplier finance arrangement to manage its working capital. Refer note 19.

The Company monitors capital on the basis of the gearing ratio which is net debt divided by total capital (equity plus net debt). The Company is not subject to any externally imposed capital requirements.

Net debt are non-current and current debts as reduced by cash and cash equivalents, other bank balances and short term investments. Equity comprises all components including other comprehensive income.

The following table summarizes the capital of the Company: (₹ in Crore except otherwise stated)

Particulars	As at	As at
	31 March 2026	31 March 2025
Cash and cash equivalents (Refer note 12)	237	2,622
Other bank balances <sup>a</sup> (Refer note 13)	123	483
Current bank deposits included under other financial assets <sup>a</sup> (Refer note 9)	-	569
Non-current bank deposits under other financial assets <sup>a</sup> (Refer note 9)	-	354
Current investments (Refer note 6B)	745	1,678
<b>Total cash for Continuing Operations</b>	<b>1,105</b>	<b>5,706</b>
<b>Total cash for Discontinued Operations (Refer note 45)</b>	<b>5,910</b>	<b>-</b>
<b>Total cash (a)</b>	<b>7,015</b>	<b>5,706</b>
Non-current borrowings (Refer note 17A)	9,222	29,724
Current borrowings (Refer note 17B)	1,426	13,097
<b>Total borrowings for Continuing Operations</b>	<b>10,648</b>	<b>42,821</b>
<b>Total borrowings for Discontinued Operations (Refer note 45)</b>	<b>42,642</b>	<b>-</b>
<b>Total borrowings (b)</b>	<b>53,290</b>	<b>42,821</b>
<b>Net debt (c)=(b-a)</b>	<b>46,275</b>	<b>37,115</b>
Total equity	78,049	75,399
<b>Total capital (equity + net debt) (d)</b>	<b>1,24,324</b>	<b>1,12,514</b>
<b>Gearing ratio (times) (c/d)</b>	<b>0.37</b>	<b>0.33</b>

(a) The constituents of 'total cash' for the purpose of capital management disclosure include only those amounts of restricted funds that are corresponding to liabilities (e.g. margin money deposits). Consequently, restricted funds amounting to ₹ 5,751 Crore, (out of which ₹3,370 Crore, relates to discontinued operations (refer note 45)) (31 March 2025: ₹ 1,113 Crore) have been excluded from 'total cash' in the capital management disclosures.



**Vedanta Limited**

Notes forming part of the financial statements as at and for the year ended 31 March 2026

**17 Financial liabilities - Borrowings**

**A) Non- current borrowings**

(₹ in Crore)

Particulars	As at	As at
	31 March 2026	31 March 2025
<b>At amortised cost</b>		
<b>Secured</b>		
Non-convertible debentures	6,089	10,441
Term loans from banks		
- Rupee term loans	26,922	22,751
External commercial borrowings	5,141	3,820
<b>Unsecured</b>		
Non-convertible debentures	10,150	2,590
Deferred sales tax liability	0	1
Loan from Related parties (Refer Note 39)	1,869	2,406
Redeemable preference shares	-	2
<b>Non current borrowings</b>	<b>50,171</b>	<b>42,011</b>
Less : Non-current borrowings Transferred to discontinued operations (Refer Note 45)	(29,025)	-
Less: Current maturities of long term borrowings <sup>a</sup>	(11,924)	(12,287)
<b>Total Non-current borrowings (Net) (A)</b>	<b>9,222</b>	<b>29,724</b>
<b>Current borrowings (Refer note 17B) (B)</b>	<b>1,426</b>	<b>13,097</b>
<b>Total borrowings (A+B)</b>	<b>10,648</b>	<b>42,821</b>

**B) Current borrowings**

(₹ in Crore)

Particulars	As at	As at
	31 March 2026	31 March 2025
<b>At amortised cost</b>		
<b>Secured</b>		
Working Capital Loan	327	-
Current maturities of long term borrowings <sup>a</sup>	9,517	11,749
<b>Unsecured</b>		
Loans repayable on demand from banks	1,942	-
Working Capital Loan	850	810
Current maturities of long term borrowings <sup>a</sup>	2,407	538
<b>Current borrowings</b>	<b>15,043</b>	<b>13,097</b>
Less: Transferred to discontinued operations (Refer Note 45)	(13,617)	-
<b>Total</b>	<b>1,426</b>	<b>13,097</b>

(a) Current maturities of long term borrowings consists of:

(₹ in Crore)

Particulars	As at	As at
	31 March 2026	31 March 2025
<b>Secured</b>		
Non-convertible debentures	1,515	4,353
Term loans from banks		
- Rupee term loans	6,791	6,291
External commercial borrowings	1,211	1,105
<b>Unsecured</b>		
Loan from Related parties (Refer Note 39)	1,869	536
Redeemable preference shares	-	2
Non-convertible debentures	538	-
<b>Current maturities of long term borrowings</b>	<b>11,924</b>	<b>12,287</b>
Less: Transferred to discontinued operations (Refer Note 45)	(11,674)	-
<b>Grand total</b>	<b>250</b>	<b>12,287</b>



**Vedanta Limited**  
Notes forming part of the financial statements as at and for the year ended 31 March 2026

b) **Details of Non-convertible debentures issued by the Company have been provided below (Carrying Value):**

Particulars	(₹ in Crore)	
	As at 31 March 2026	As at 31 March 2025
9.24% due June 2032*	4,089	4,089
9.20% due February 2030*	2,000	2,000
9.50% due August 2027*	538	538
9.40% due February 2027*	2,054	2,052
8.95% NCD's due March 2029	2,575	-
9.31% NCD's due December-2027	2,392	-
9.45% NCD's due June-2028	1,744	-
8.95% NCD's due June-2027	847	-
11.80% due October 2025	-	1,000
12.00% due June 2025	-	3,352
<b>Total</b>	<b>16,239</b>	<b>13,031</b>

\*Non-convertible debentures issued pertain to discontinued operations.

c) The Company has taken borrowings towards funding of its acquisitions, capital expenditure and working capital requirements. The borrowings comprise funding arrangements from various banks and financial institutions. The details of security provided by the Company, including discontinued operations, to various lenders on the assets of the Company are as follows:

Particulars	(₹ in Crore)	
	As at 31 March 2026	As at 31 March 2025
Secured non-current borrowings	28,635	25,263
Secured current borrowings	9,844	11,749
<b>Total secured borrowings</b>	<b>38,479</b>	<b>37,012</b>

Facility Category	Security details	(₹ in Crore)	
		As at 31 March 2026	As at 31 March 2025
<b>Working capital loans</b>	Secured by fixed deposits.	327	-
<b>External Commercial Borrowings</b>	A first pari passu charge by way of hypothecation / mortgage on the movable and immovable fixed assets of the Company pertaining to its manufacturing facilities comprising: (i) alumina refinery having output of 6 MTPA along with co-generation captive power plant with an aggregate capacity of 75 MW at Lanjigarh, Odisha and (ii) aluminium smelter having output of 1.6 MTPA along with a 1,215 (9*135) MW CPP at Jharsuguda, Odisha.	375	1,191
	First pari passu charge by way of hypothecation on all present and future movable assets of the Company with a minimum fixed asset cover of 1.10 times of the outstanding facility during the period of the facility comprising: (i) 1.6 MTPA (proposed capacity of 1.8 MTPA) aluminium smelter along with 1,215 MW CPP at Jharsuguda; (ii) 1 MTPA (proposed capacity of 6 MTPA) alumina refinery along with 75 MW CPP at Lanjigarh, Odisha (iii) 2,400 MW Power plant (1,800 MW CPP and 600 MW Independent Power Plant ("IPP")) located at Jharsuguda, Odisha and (iv) Oil and Gas division comprising RJ-ON-90/1 Oil and Gas Block (Rajasthan), Cambay oil fields, Ravva Oil and Gas fields (under PKGM-1 block) and OALP blocks.	730	919
	<b>Iron Ore</b> First ranking pari passu charge by way of hypothecation on all present and future movable fixed assets of Vedanta Limited pertaining to below iron ore assets located at Karnataka and Goa (i) 8,32,000 MT pig iron plant (ii) 22,000 MT metallurgical coke plant (iii) 60 MW power plant	1,066	-
	<b>Copper</b> First ranking pari passu charge by way of hypothecation on all present and future movable fixed assets of Vedanta Limited pertaining to below copper assets at Silvasa, Mettur and Tuticorin :- (i) 245,000 MT of blister/ secondary material processing plant, a 216,000 TPA copper refinery plant and a copper rod mill with an installed capacity of 258,000 TPA (ii) 400 KTPA Copper Smelter Plant along with 246 KTPA Refinery and Ancillary Plants including 96 KTPA Copper Rod Plant, 1300 KTPA Sulphuric Acid plant, 230 KTPA Phosphoric Acid Plant and associated power plant.	1,066	-



Vedanta Limited  
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(₹ in Crore)

Facility Category	Security details	As at 31 March 2026	As at 31 March 2025
External Commercial Borrowings	A first pari passu charge by way of hypothecation of the specified movable fixed assets both present and future comprising of: (i) 6 MTPA alumina refinery along with 270 MW co-generation captive power plant (operating capacity) in Lanjigarh, Odisha. (ii) 1.8 MTPA aluminium smelter plant along with 1215 MW (9x135 MW) captive power plant in Jharsuguda, Odisha. (iii) 1800 MW Power Plant CPP located at Jharsuguda, Odisha	2,275	-
	A first pari passu charge by way of hypothecation of the specified movable fixed assets both present and future comprising of: (i) 6 MTPA alumina refinery along with 270 MW co-generation captive power plant (operating capacity) in Lanjigarh, Odisha. (ii) 1.8 MTPA aluminium smelter plant along with 1215 MW (9x135 MW) captive power plant in Jharsuguda, Odisha. (iii) 1800 MW Power Plant CPP located at Jharsuguda, Odisha	695	-
	Other secured external commercial borrowings	-	1,710
Non-Convertible Debentures	Secured by way of first pari passu charge on whole of the movable fixed assets of: (i) alumina refinery having output of 1 MTPA along with co-generation captive power plant with an aggregate capacity of 75 MW at Lanjigarh, Odisha; and (ii) aluminium smelter having output of 1.6 MTPA along with a 1,215 (9*135) MW CPP at Jharsuguda, Odisha. Additionally, secured by way of mortgage on the freehold land comprising 19.32 acres situated at Jharsuguda, Odisha.	2,000	2,000
	First ranking pari passu charge by way of mortgage over 18.92 acres freehold land in Jharsuguda, Odisha together with the building and structures/ erections constructed/ to be constructed thereon and all the plant and machinery and other furniture and fixtures erected/ installed or to be erected/installed thereon and hypothecation over movable fixed assets excluding capital work in progress in relation to the aluminium division comprising 6 MTPA alumina refinery along with 75 MW co-generation captive power plant in Lanjigarh, Odisha; and 1.6 MTPA aluminium smelter plant along with 1,215 MW (9*135 MW) power plant and 2400 MW power plant in Jharsuguda, Odisha including its movable plant and machinery, machinery spares, tools and accessories and other movable fixed assets.	4,089	4,089
	Other secured non-convertible debentures	-	4,352
Term loans from banks (includes rupee term loans and foreign currency term loans)	Secured by a pari passu charge by way of hypothecation of all the movable fixed assets of the Company pertaining to its aluminium division project consisting: (i) alumina refinery having output of 1 MTPA (Refinery) along with co-generation captive power plant with an aggregate capacity of 75 MW at Lanjigarh, Odisha (Power Plant); and (ii) aluminium smelter having output of 1.6 MTPA along with a 1,215 (9*135) MW CPP at Jharsuguda, Odisha (Smelter) (the Refinery, Power Plant and Smelter). Also, a first pari passu charge by way of equitable mortgage on the land pertaining to the mentioned project of aluminium division.	702	1,260
	A First Pari-passu first charge by way of hypothecation on the specified movable fixed assets of the Company pertaining to its Manufacturing facilities comprising of (i) alumina refinery having output of 1 MTPA along with co- generation captive power plant with an aggregate capacity of 75 MW at Lanjigarh, Odisha; (ii) aluminium smelter having output of 1.6 MTPA along with a 1215 (9*135) MW CPP at Jharsuguda, Odisha	1,845	5,110
	First pari-passu charge by way of hypothecation of Aluminium and Power comprising of below assets: (i) 6 MTPA alumina refinery along with 75 MW co-generation captive power plant (operating capacity) in Lanjigarh, Odisha (ii) 1.6 MTPA aluminium smelter plant along with 1215 MW (9*135 MW) captive power plant in Jharsuguda, Odisha (iii) 2400 MW Power Plant (1800 MW CPP and 600 MW IPP) located at Jharsuguda, Odisha;	358	721
	A first pari passu charge by way of hypothecation of the specified movable fixed assets both present and future comprising of: (i) 6 MTPA alumina refinery along with 270 MW co-generation captive power plant (operating capacity) in Lanjigarh, Odisha. (ii) 1.8 MTPA aluminium smelter plant along with 1215 MW (9x135 MW) captive power plant in Jharsuguda, Odisha. (iii) 1800 MW Power Plant CPP located at Jharsuguda, Odisha	389	700



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(₹ in Crore)

Facility Category	Security details	As at 31 March 2026	As at 31 March 2025
Term loans from banks (includes rupee term loans and foreign currency term loans)	A first pari passu charge by way of hypothecation of the specified movable fixed assets both present and future comprising of (i) 6 MTPA alumina refinery along with 270 MW co-generation captive power plant (operating capacity) in Lanjigarh, Odisha. (ii) 1.8 MTPA aluminium smelter plant along with 1215 MW (9x135 MW) captive power plant in Jharsuguda, Odisha. (iii) 1800 MW Power Plant CPP located at Jharsuguda, Odisha	724	682
	A first Pari-passu charge by way of hypothecation on the specified movable fixed assets of the Company pertaining to its manufacturing facilities comprising of (i) aluminium smelter having output of 1.6 MTPA along with a 1215 MW CPP at Jharsuguda, Odisha; (ii) alumina refinery having output of 1 MTPA along with co- generation captive power plant with an aggregate capacity of 75 MW at Lanjigarh, Odisha.	183	878
	(i) A first charge by way of mortgage in a form and manner acceptable to the Lender, over all the Borrower's immovable properties pertaining to the Project i.e. Vedanta Ltd's 1200 MW Domestic Coal Based Thermal Plant in Chhattisgarh(excluding forest land), both present and future; (ii) A first charge by way of hypothecation, in a form and manner acceptable to the Lender, over all the Borrower's movable properties and assets, including plant & machinery, machinery spares, equipment, tools & accessories, furniture, fixtures, vehicles, and all other movable assets pertaining to the project i.e. Vedanta Ltd's 1200 MW Domestic Coal Based Thermal Plant in Chhattisgarh , both present and future.	2,504	1,331
	Secured by a first pari passu charge on the identified fixed assets of the borrower both present and future, pertaining to its Aluminium business (Jharsuguda Plant, Lanjigarh Plant), 2400 MW power plant assets at Jharsuguda, Copper Plant assets at Silvasa, Iron ore business in the states of Karnataka and Goa, dividends receivable from Hindustan Zinc Limited ("HZL"), and the DSRA placed opened for the Facility along with the amount lying to the credit thereof, and Pledge of shares of HZL held by company with a minimum coverage of 1.1*. Negative lien on oil & gas fixed assets.	880	982
	Term Loan by Infradebt - Secured by Charge over certain assets of VEDL including but not limited to identified movable fixed assets and immovable fixed assets in relation to the oil and gas division owned by VEDL as more particularly set out under the financing documents.	761	775
	Secured by a pari passu charge by way of hypothecation/ equitable mortgage of the movable/ immovable fixed assets of the Company pertaining to its aluminium division comprising 1 MTPA alumina refinery plant with 75 MW captive power plant at Lanjigarh, Odisha and 1.6 MTPA aluminium smelter plant with 1,215 MW captive power plant at Jharsuguda, Odisha.	1,498	3,157
	A first pari-passu first charge by way of hypothecation on the specified movable fixed assets of the Company pertaining to its manufacturing facilities comprising:- (i) alumina refinery having output of 1 MTPA along with co- generation captive power plant with an aggregate capacity of 75 MW at Lanjigarh, Odisha; (ii) aluminium smelter having output of 1.6 MTPA along with a 1,215 (9x135) MW CPP Jharsuguda, Odisha	799	1,247
	First pari passu charge by way of hypothecation of the specified movable fixed assets both present and future comprising:- (i) 6 MTPA alumina refinery along with 270 MW co-generation captive power plant (operating capacity) in Lanjigarh, Odisha. (ii) 1.8 MTPA aluminium smelter plant along with 1,215 MW (9x135 MW) captive power plant in Jharsuguda, Odisha. (iii) 1,800 MW Power Plant CPP located at Jharsuguda, Odisha	5,959	2,053
	Term Loan by Union Bank - Charge on certain assets of VEDL including but not limited to identified movable fixed assets and immovable properties (both freehold and leasehold) pertaining to (1) aluminium division, (2) iron ore division, (3) copper division owned by VEDL as more particularly set out under the financing documents; First ranking exclusive pledge over shares of held by VEDL in HZL equivalent to a minimum coverage of one point ten (1.10) x of the loan and NDU over HZL shares with minimum percentage of fifty point one (50.1%); First pari passu charge on dividends and other receivables from HZL in relation to the pledged shares and the NDU shares owned by VEDL with escrow mechanism; First exclusive charge over the DSRA owned by VEDL; and Any other undertaking by VEDL.	626	-
	A first pari passu first charge by way of hypothecation on the specified movable fixed assets of the Company pertaining to its manufacturing facilities comprising: (i) alumina refinery having output of 1 MTPA along with co- generation captive power plant with an aggregate capacity of 75 MW at Lanjigarh, Odisha; (ii) aluminium smelter having output of 1.6 MTPA along with a 1215 (9*135) MW CPP at Jharsuguda, Odisha	718	-



**Vedanta Limited**  
Notes forming part of the financial statements as at and for the year ended 31 March 2026

(₹ in Crore)

Facility Category	Security details	As at 31 March 2026	As at 31 March 2025
<b>Term loans from banks (includes rupee term loans and foreign currency term loans)</b>	<b>Iron Ore</b> First ranking pari passu charge by way of hypothecation on all present and future movable fixed assets of Vedanta Limited pertaining to below iron ore assets located at Karnataka and Goa (i) 8,32,000 MT pig iron plant (ii) 22,000 MT metallurgical coke plant (iii) 60 MW power plant		
	<b>Copper</b> First ranking pari passu charge by way of hypothecation on all present and future movable fixed assets of Vedanta Limited pertaining to below copper assets at Silvasa, Mettur and Tuticorin :- (i) 245,000 MT of blister/ secondary material processing plant, a 216,000 TPA copper refinery plant and a copper rod mill with an installed capacity of 258,000 TPA (ii) 400 KTPA Copper Smelter Plant along with 246 KTPA Refinery and Ancillary Plants including 96 KTPA Copper Rod Plant, 1300 KTPA Sulphuric Acid plant, 230 KTPA Phosphoric Acid Plant and associated power plant.	848	-
	<b>Alum Division</b> (i) 6 MTPA Alumina Refinery along with 270 MW co-generation captive power plant in Lanjigarh, Odisha (ii) 1.8 MTPA Aluminium Smelter having along with a 1,215 (9*135) MW CPP at Jharsuguda, Odisha and (iii) 1800 MW power plant CPP located at Jharsuguda		
	A first pari-passu charge by way of hypothecation of Aluminium and Power comprising of below assets : (i) 6 MTPA alumina refinery along with 75 MW co-generation captive power plant (operating capacity) in Lanjigarh, Odisha (ii) 1.6 MTPA aluminium smelter plant along with 1215 MW (9*135 MW) captive power plant in Jharsuguda, Odisha (iii) 2400 MW Power Plant (1800 MW CPP and 600 MW IPP) located at Jharsuguda, Odisha;	100	-
	First pari-passu charge by way of hypothecation of Aluminium and Power comprising of below assets: (i) 6 MTPA alumina refinery along with 75 MW co-generation captive power plant (operating capacity) in Lanjigarh, Odisha (ii) 1.6 MTPA aluminium smelter plant along with 1215 MW (9*135 MW) captive power plant in Jharsuguda, Odisha (iii) 2400 MW Power Plant (1800 MW CPP and 600 MW IPP) located at Jharsuguda, Odisha;	175	-
	First charge by way of mortgage of identified freehold land and hypothecation of all the movable fixed assets both present and future comprising of : (i) 6 MTPA alumina refinery along with 270 MW co-generation captive power plant in Lanjigarh, Odisha. (ii) 1.8 MTPA aluminium smelter plant along with 1215 MW (9*135 MW) captive power plant in Jharsuguda, Odisha. (iii) 1800 MW Power Plant CPP located at Jharsuguda, Odisha	885	-
	First charge by way of mortgage of identified immovable properties and hypothecation of all the movable fixed assets both present and future comprising of: (i) 1800 MW and 1215 MW captive power plant located at Jharsuguda, Odisha (ii) aluminium smelter having output of 1.8 MTPA located at Jharsuguda, Odisha and alumina refinery having output of 6 MTPA along with co-generation captive power plant with an aggregate capacity of 270 MW in Lanjigarh, Odisha.	5,875	-
	First pari passu charge by way of hypothecation of the specified movable Fixed Assets both present and future comprising of : (i) 6 MTPA alumina refinery along with 75 MW co-generation captive power plant (operating capacity) in Lanjigarh, Odisha. (ii) 1.8 MTPA aluminium smelter plant along with 1215 MW (9*135 MW) captive power plant in Jharsuguda, Odisha. (iii) 1800 MW Power Plant CPP located at Jharsuguda, Odisha	450	-
Secured by first pari passu charge by way of hypothecation over the movable fixed assets of the Aluminium Division of Company comprising of : (i) 6 MTPA Aluminium refinery along with 75MW Co-generation power plant (operating capacity) in Lanjigarh, Odisha (ii) 1.6 MTPA Aluminium Smelter along with 1215 MW CPP (captive power plant) at Jharsuguda and (iii) 1800 MW Power Plant (1800 MW CPP and 600 MW IPP) located at Jharsuguda , Odisha	643	-	



**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

(₹ in Crore)

Facility Category	Security details	As at 31 March 2026	As at 31 March 2025
	Other secured term loan from banks	-	3,855
<b>Total</b>		<b>38,479</b>	<b>37,012</b>

- d) The Company enters into arrangements whereby banks and financial institutions make direct payments to suppliers for raw materials and project materials. Where such arrangements are with a maturity beyond twelve months and up to thirty six months, the economic substance of the transaction is determined to be financing in nature, and these are presented within borrowings in the balance sheet.

As of 31 March 2026, there are no such arrangements with maturity beyond twelve months.

- e) The loan facilities are subject to certain financial and non-financial covenants. The primary covenants which must be complied with include interest service coverage ratio, current ratio, debt service coverage ratio, total outside liabilities to total net worth, fixed assets coverage ratio, ratio of total term liabilities to net worth and debt/EBITDA. The Company has complied with the covenants as per the terms of the loan agreement. (Refer note 2) Further, in case of borrowings having current assets as security, the quarterly statements of current assets filed by the Company with its lenders are in agreement with the books of accounts.

Non-current borrowings of both continued and discontinued operations (including current maturity of long term borrowings) are subject to the compliance with the following covenants with respect to the Company's right to defer settlement of the aforementioned borrowings.

(₹ in Crore)

Facility Category	Covenant details	As at 31 March 2026
<b>External Commercial Borrowings</b>	1. The Fixed Asset Coverage Ratio is to be maintained at a minimum of 1.10 2. The ratio of Total Outside Liabilities to Tangible Net Worth is to be maintained at a maximum of 3 3. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.20 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	187
	1. The Fixed Asset Coverage Ratio is to be maintained at a minimum of 1.10 2. The Interest Service Coverage Ratio is to be maintained at a minimum of 1.50 3. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.25 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	730
	1. The Fixed Asset Coverage Ratio is to be maintained at a minimum of 1 2. The Net Debt to EBITDA is to be maintained at a minimum of 3 3. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.25 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	1,066
	1. The Fixed Asset Coverage Ratio is to be maintained at a minimum of 1.10 2. At Consol level, The Debt Service Coverage Ratio is to be maintained at a minimum of 1.20 3. Net Leverage Ratio (Net Debt/ EBITDA) (at consol) is to be maintained at a maximum of 3.50 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	2,275
	1. The Fixed Asset Coverage Ratio is to be maintained at a minimum of 1.10 2. The ratio of Total Outside Liabilities to Tangible Net Worth is to be maintained at a maximum of 3 3. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.20 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	695
	1. The Fixed Asset Coverage Ratio is to be maintained at a minimum of 1.10 2. At Consol level, the Debt Service Coverage Ratio is to be maintained at a minimum of 1.20 3. Leverage Ratio (TOL/ TNW): maximum of 3 4. Net Leverage Ratio (Net Debt/ EBITDA) (at consol): maximum of 3 5. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	188



**Vedanta Limited**  
**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

(₹ in Crore)

Facility Category	Covenant details	As at 31 March 2026
<b>Non-Convertible Debentures</b>	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.25 2. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	2,000
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.25 2. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	4,089
	1. The ratio of Consolidated Net Debt and Guarantee to EBITDA shall be less than 3:1 2. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.1 3. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	4,983
	1. The ratio of Consolidated Net Debt and Guarantee to EBITDA shall be less than 3:1 2. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.1 3. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	2,575
	1. Prior to any Permitted Demerger being completed, the ratio of Consolidated Net Debt and Guarantee to EBITDA shall be less than 3 2. The Debt Service Coverage Ratio is to be maintained at a minimum of 1; 3. After the Permitted Demerger being completed, the ratio of Consolidated Net Debt (without Guarantee) to EBITDA will be less than 3.25. Provided that, after the Permitted Demerger, this covenant shall be tested at a consolidated level (including the subsidiaries) 4. After the Permitted Demerger being completed, the ratio of Consolidated Net Debt and Guarantee to EBITDA shall be less than 3.75 5. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	2,592
<b>Term loan from banks</b>	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.10 2. The ratio of Total Term Liabilities to Tangible Net Worth is to be maintained at a maximum of 3 3. The ratio of Total Outside Liabilities to Tangible Net Worth is to be maintained at a maximum of 3 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	260
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.10 2. The ratio of Total Term Liabilities to Tangible Net Worth is to be maintained at a maximum of 2 3. The ratio of Total Outside Liabilities to Tangible Net Worth is to be maintained at a maximum of 3 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	1,498
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.10 2. The ratio of Total Term Liabilities to Tangible Net Worth is to be maintained at a maximum of 2 3. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	442
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.10 2. The ratio of Total Term Liabilities to Tangible Net Worth is to be maintained at a maximum of 2 3. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.25 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	434
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.10 2. The ratio of Total Term Liabilities to Tangible Net Worth is to be maintained at a maximum of 2 3. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.25 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	358
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.10 2. The ratio of Total Outside Liabilities to Tangible Net Worth is to be maintained at a maximum of 3 3. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.1 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	175
	1. The Gross Debt Service Coverage Ratio is to be maintained at a minimum of 1.25 2. The Interest Service Coverage Ratio is to be maintained at a minimum of 1.5 until the Final Settlement Date. 3. The ratio of Debt to EBITDA is to be maintained at a maximum of 4.5 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	626
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.10 2. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.20 3. At consolidated level, the ratio of Net Debt to EBITDA is to be maintained at a maximum of 3 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	253
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.10 2. The ratio of Total Term Liabilities to Tangible Net Worth is to be maintained at a maximum of 2 3. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.25 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	563
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.10 2. The Interest Service Coverage Ratio is to be maintained at a minimum of 1.50 3. The ratio of Debt to EBITDA is to be maintained at a maximum of 4.50 4. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.25 5. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	718



**Vedanta Limited**  
**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

(₹ in Crore)

Facility Category	Covenant details	As at 31 March 2026
<b>Term loan from banks (continued)</b>	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.10 2. The ratio of Total Term Liabilities to Tangible Net Worth is to be maintained at a maximum of 2 3. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.20 4. The ratio of Net Debt to EBITDA is to be maintained at a maximum of 3.25 5. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	450
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.10 2. The ratio of Total Term Liabilities to Tangible Net Worth is to be maintained at a maximum of 3 3. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.40 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	183
	1. Shares equivalent to at least 51 % (fifty one per cent) of the total equity share capital of the Borrower, with equivalent voting rights, are directly/ indirectly held by Vedanta Resources Limited. 2. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.15. 3. The company shall maintain ratio of total outside liability to total networth of not more than 3:1 till the currency of loan. 4. The ratio of Debt to Equity is to be maintained at a maximum of 75:25  All the compliances with financial covenants shall be done from the first full fiscal year of operation of the project and thereafter for every fiscal year till the final settlement date.	2,504
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.25 2. The Interest Service Coverage Ratio is to be maintained at a minimum of 1.50 3. The ratio of Debt to EBITDA is to be maintained at a maximum of 4.50 4. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.25 5. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	880
	1. Debt Service Coverage Ratio (DSCR) is to be maintained at a minimum of 1.10 2. Fixed Asset Cover Ratio (FACR) – Project is to be maintained at a minimum of 1.30 3. DSRA Requirement - Maintain amount equal to 2 quarters of principal plus interest 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	761
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.125 2. The ratio of Total Term Liabilities to Tangible Net Worth is to be maintained at a maximum of 2 3. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.25 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	848
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.10 2. The ratio of Total Term Liabilities to Tangible Net Worth is to be maintained at a maximum of 3 3. The ratio of Total Outside Liabilities to Tangible Net Worth is to be maintained at a maximum of 3 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	100
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.10 2. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	389
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.10 2. The Interest Service Coverage Ratio is to be maintained at a minimum of 1.50 3. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.20 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	799
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.10 2. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.25 3. At consolidated level, the ratio of Net Debt to EBITDA is to be maintained at a maximum of 3.25 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	885
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.20 2. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.10 3. The ratio of Net Debt to EBITDA is to be maintained at a maximum of 4 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	5,875
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.10 2. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.05 3. The ratio of Net Debt to EBITDA is to be maintained at a maximum of 4.25 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	943



Vedanta Limited

Notes forming part of the financial statements as at and for the year ended 31 March 2026

		(₹ in Crore)
Facility Category	Covenant details	As at 31 March 2026
Term loan from banks (continued)	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.10 2. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.10 3. At consolidated level, the ratio of Net Debt to EBITDA is to be maintained at a maximum of 3 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	915
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.10 2. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.25 3. At consolidated level, the ratio of Net Debt to EBITDA is to be maintained at a maximum of 3.50 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	1,417
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.10 2. The ratio of Total Term Liabilities to Tangible Net Worth is to be maintained at a maximum of 2 3. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.20 4. the ratio of Net Debt to EBITDA is to be maintained at a maximum of 3.50 5. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	447
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.10 2. The ratio of Total Term Liabilities to Tangible Net Worth is to be maintained at a maximum of 3 3. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.25 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	971
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.1 2. The ratio of Total Term Liabilities to Tangible Net Worth is to be maintained at a maximum of 2 3. At consolidated level, the ratio of Net Debt to EBITDA is to be maintained at a maximum of 3 4. At consolidated level, The Debt Service Coverage Ratio is to be maintained at a minimum of 1.25 5. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	450
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.25 2. The Interest Service Coverage Ratio is to be maintained at a minimum of 1.50 3. The ratio of Debt to EBITDA is to be maintained at a maximum of 4.50 4. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.25 5. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	1,845
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.10 2. The ratio of Total Term Liabilities to Tangible Net Worth is to be maintained at a maximum of 2 3. The Debt Service Coverage Ratio is to be maintained at a minimum of 1.25 4. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	643
	1. The Fixed Asset Coverage Ratio (FACR) to be maintained at a minimum of 1.10 2. VRL (along with its subsidiaries) shall maintain a shareholding of more than 50.1% in the Company	290
	Loan from related party	The facility is not subject to any covenant terms that could affect its classification.
<b>Total</b>		<b>50,171</b>

The Company has tested the above covenants for the current year and next twelve months and has no indication that it will have difficulty in complying with the above covenants.



**Vedanta Limited**  
Notes forming part of the financial statements as at and for the year ended 31 March 2026

**f) Terms of repayment of total borrowings outstanding as at 31 March 2026, including discontinued operations, are provided below -**

(₹ in Crore)

Borrowings	Weighted average interest rate as at 31 March 2026	Total carrying value	<1 year	1-3 years	3-5 years	>5 years	Remarks
Rupee term loan	9.58%	26,922	6,820	9,292	4,625	6,284	Repayable in 120 monthly and 647 quarterly payments
Non-convertible debentures	8.82%	16,239	2,060	8,115	2,000	4,089	Repayable in 5 bullet payments
Working capital loan	7.46%	3,119	3,119	0	0	0	Repayable in 2 bullet payments
External commercial borrowing	7.95%	5,141	1,232	3,281	678	0	Repayable in 39 annual and 1 bullet payment
Deferred sales tax liability	NA	-	-	-	-	-	Repayable in 13 monthly installments
Loan from related party	12.00%	1,869	1,872	0	0	0	Repayable in 1 bullet payment
<b>Total</b>		<b>53,290</b>	<b>15,103</b>	<b>20,688</b>	<b>7,303</b>	<b>10,373</b>	

The above maturity is based on the total principal outstanding, gross of issue expenses and discounting impact of deferred sales tax liability.

**g) Terms of repayment of total borrowings outstanding as at 31 March 2025 are provided below -**

(₹ in Crore)

Borrowings	Weighted average interest rate as at 31 March 2025	Total carrying value	<1 year	1-3 years	3-5 years	>5 years	Remarks
Rupee term loan	9.51%	22,751	6,319	12,004	2,944	1,570	Repayable in 129 monthly and 667 quarterly payments
Non-convertible debentures	10.18%	13,031	4,352	2,600	2,000	4,089	Repayable in 6 bullet payments
Working capital loan	8.75%	810	810	0	0	0	Repayable in 2 bullet payments
Deferred sales tax liability	NA	1	0	1	-	-	Repayable in 19 monthly installments
External commercial borrowing	7.72%	3,820	1,111	1,949	769	-	Repayable in 16 half yearly payments
Redeemable preference shares	NA	2	2	-	-	-	Unclaimed redemption amount due to preference shareholders. Amount is repayable on claim.
Loan from Related Party	12.00%	2,406	625	1,875	-	-	Repayable in 3 bullet payments
<b>Total</b>		<b>42,821</b>	<b>13,219</b>	<b>18,429</b>	<b>5,713</b>	<b>5,659</b>	

The above maturity is based on the total principal outstanding, gross of issue expenses and discounting impact of deferred sales tax liability.



**Vedanta Limited**  
**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

**h) Movement in borrowings during the year is provided below:**

(₹ in Crore)			
Particulars	Short-term borrowings	Long-term borrowings*	Total debt
Opening balance at 01 April 2024	1,795	40,437	42,232
Net cash (outflow)/ inflow	(996)	1,387	391
Other non-cash changes	11	187	198
<b>As at 31 March 2025</b>	<b>810</b>	<b>42,011</b>	<b>42,821</b>
<b>Opening balance at 01 April 2025</b>	<b>810</b>	<b>42,011</b>	<b>42,821</b>
Net cash inflow	1,015	7,511	8,526
Other non-cash changes	1,294	649	1,943
<b>As at 31 March 2026 (including discontinued operations)</b>	<b>3,119</b>	<b>50,171</b>	<b>53,290</b>
Less : Transferred to discontinued operations (Refer note 45)	(1,943)	(40,700)	(42,642)
<b>As at 31 March 2026</b>	<b>1,176</b>	<b>9,471</b>	<b>10,648</b>

\*Including Current maturities of Long term borrowings.

\*\*Other non-cash changes include amortisation of borrowing costs and foreign exchange difference on borrowings.

- i) In December 2021, the Company executed a ₹ 8,000 Crore facility agreement with Union Bank of India Limited to take over a long term syndicated facility of ₹ 10,000 Crore. This loan is secured by the way of pledge over the shares held by the Company in HZL equal to minimum 1x of outstanding loan value (calculated quarterly at value weighted average price), currently representing 3.66% (31 March 2025: 4.90%) of the paid-up shares of HZL. Further, the Company has also signed a Non-Disposal Undertaking ("NDU") in respect of its shareholding in HZL to the extent of 50.10% of the paid-up share capital of HZL. As at 31 March 2026, the outstanding loan amount under the facility is ₹ 3,355 Crore (31 March 2025: ₹ 5,120 Crore).



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**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

**18 Financial liabilities - Trade payables**

(₹ in Crore)

Particulars	As at	As at
	31 March 2026	31 March 2025
<b>Undisputed dues – MSME</b>		
Unbilled dues	-	-
Not due	-	148
Less than 1 year	10	39
1-2 years	-	1
2-3 years	-	-
More than 3 years	-	-
<b>Sub-total</b>	<b>10</b>	<b>188</b>
<b>Undisputed dues - Others</b>		
Unbilled dues	58	1,858
Not due	1,616	1,916
Less than 1 year	1,653	1,148
1-2 Years	13	53
2-3 years	1	21
More than 3 years	2	27
<b>Sub-total</b>	<b>3,343</b>	<b>5,023</b>
<b>Disputed dues - MSME</b>	-	-
<b>Disputed dues - Others</b>	-	-
<b>Total</b>	<b>3,353</b>	<b>5,211</b>

- (a) The Company enters into arrangements whereby banks and financial institutions make direct payments to suppliers for raw materials and project materials. Trade payables for which payments have been made to suppliers under these arrangements are presented as 'Operational buyers'/suppliers' credit'. Amounts for which the arrangement has been entered into but payments to suppliers have not yet been made continue to be presented within 'Trade Payables'.

(₹ in Crore)

Particulars	As at	As at
	31 March 2026	31 March 2025
Trade Payables not a part of operational buyer/supplier credit	3,353	5,211
Trade Payables part of operational buyer/supplier credit*	-	-
<b>Total</b>	<b>3,353</b>	<b>5,211</b>

\*As at 31 March 2026, there are no balances or movement in Trade Payables part of Operational buyers'/ suppliers' credit

- (b) Trade payables are non-interest bearing and are normally settled upto 180 days (31 March 2025: 180 days).
- (c) For amount due and terms and conditions relating to related party payables. Refer note 39.
- 19** Operational Buyers'/ Suppliers' Credit is availed in foreign currency from offshore branches of Indian banks or foreign banks at an interest rate ranging from 4.02% to 7.20% (31 March 2025: 4.65% to 7.59%) per annum and in rupee from domestic banks at interest rate ranging from 5.50% to 8.00% (31 March 2025: 5.27% to 8.98%) per annum. These trade credits are largely repayable within 180 days from the date of draw down. Operational Buyers' credit availed in foreign currency is partly backed by Standby Letter of Credit issued under working capital facilities sanctioned by domestic banks. Part of these facilities are secured by first pari passu charge over the present and future current assets of the Company.



**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

Movement in Operational buyers'/suppliers' credit is as follows:

Particulars	(₹ in Crore)	
	Year ended 31 March 2026	Year ended 31 March 2025
Opening Balance	13,315	12,072
Add: Additions during the year	2,97,487	1,55,447
Less: Payments made during the year	(3,00,831)	(1,54,197)
Add/(Less) : Exchange difference	201	(7)
<b>Closing Balance (including discontinued operations)</b>	<b>10,172</b>	<b>13,315</b>
Less: Transferred to discontinued operations (Refer Note 45)	(5,406)	-
<b>Closing Balance</b>	<b>4,766</b>	<b>13,315</b>

**20 Financial liabilities - Others**

(₹ in Crore)

Particulars	As at 31 March 2026			As at 31 March 2025		
	Non-current	Current	Total	Non-current	Current	Total
	Liability for capital expenditure	-	30	30	-	5,642
Security deposits and retentions	-	26	26	-	60	60
Interest accrued but not due	-	397	397	-	590	590
Unpaid/unclaimed dividend <sup>a</sup>	-	1,975	1,975	-	129	129
Unpaid matured deposits and interest accrued thereon <sup>b</sup>	-	-	-	-	0	0
Profit petroleum payable	-	-	-	-	2,611	2,611
Dues to related parties (Refer note 39)	-	120	120	-	49	49
Other liabilities <sup>c</sup>	-	100	100	-	1,113	1,113
<b>Total</b>	<b>-</b>	<b>2,648</b>	<b>2,648</b>	<b>-</b>	<b>10,194</b>	<b>10,194</b>

- (a) Does not include any amounts, due and outstanding, to be credited to Investor Education and Protection Fund except ₹ 1.17 Crore (31 March 2025: ₹ 0.41 Crore) which is held in abeyance due to a pending legal case.
- (b) Matured deposits of ₹ 0.00 Crore (31 March 2025: ₹ 0.00 Crore) due for transfer to Investor Education and Protection Fund have not been transferred in view of pending litigation between the beneficiaries.
- (c) Includes revenue received in excess of entitlement interest of ₹ 218 Crore (disclosed as discontinued operations, refer note 45) (31 March 2025: ₹ 219 Crore) of which ₹ 175 Crore (disclosed as discontinued operations, refer note 45) (31 March 2025: ₹ 154 Crore) is payable to ONGC, reimbursement of expenses, provision for expenses, liabilities related to compensation/ claim etc.

**21 The movement in lease liabilities is as follows :**

(₹ in Crore)

Particulars	Amount
<b>At 01 April 2024</b>	<b>343</b>
Additions during the year	322
Interest on lease liabilities	39
Payments made*	(190)
FCTR and other adjustments	(58)
<b>At 01 April 2025</b>	<b>456</b>
Additions during the year	316
Interest on lease liabilities	54
Payments made*	(233)
FCTR and other adjustments	14
<b>At 31 March 2026 (including discontinued operations)</b>	<b>607</b>
Transferred to discontinued operations (Refer Note 45)	(599)
<b>At 31 March 2026**</b>	<b>8</b>

\*Includes payment of interest on lease liabilities of ₹ 1 Crore (31 March 2025: ₹ 1 Crore)

\*\*It includes non-current liability of ₹ 4 Crore (31 March 2025: ₹ 205 Crore) and current liability of ₹ 4 Crore (31 March 2025: ₹ 251 Crore).



**Vedanta Limited**

Notes forming part of the financial statements as at and for the year ended 31 March 2026

**22 Financial instruments**

**A. Financial assets and liabilities:**

The accounting classification of each category of financial instruments, and their carrying amounts, are set out below:

**As at 31 March 2026**

(₹ in Crore)

Financial Assets	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
Investments*	757	105	-	-	862	862
Trade receivables	228	-	-	653	881	881
Cash and cash equivalents	-	-	-	237	237	237
Other bank balances	-	-	-	2,235	2,235	2,235
Loans	-	-	-	633	633	633
Derivatives	1	-	374	-	375	375
Other financial assets	-	-	-	386	386	386
<b>Total</b>	<b>986</b>	<b>105</b>	<b>374</b>	<b>4,144</b>	<b>5,609</b>	<b>5,609</b>

(₹ in Crore)

Financial Liabilities	Fair value through profit or loss	Derivatives designated as hedging instruments	Amortised cost	Total carrying value	Total fair value
Borrowings	-	-	10,648	10,648	11,028
Trade payables	2,670	-	683	3,353	3,353
Operational buyers' credit / suppliers' credit	-	-	4,766	4,766	4,766
Derivatives	-	84	-	84	84
Other financial liabilities**	-	-	2,655	2,655	2,655
<b>Total</b>	<b>2,670</b>	<b>84</b>	<b>18,752</b>	<b>21,506</b>	<b>21,886</b>

**As at 31 March 2025**

(₹ in Crore)

Financial Assets	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
Investments*	1,975	131	-	-	2,106	2,106
Trade receivables	83	-	-	2,555	2,638	2,638
Cash and cash equivalents	-	-	-	2,622	2,622	2,622
Other bank balances	-	-	-	1,262	1,262	1,831
Loans	-	-	-	2,672	2,672	2,672
Derivatives	32	-	273	-	305	305
Other financial assets	-	-	-	9,091	9,091	8,522
<b>Total</b>	<b>2,090</b>	<b>131</b>	<b>273</b>	<b>18,202</b>	<b>20,696</b>	<b>20,696</b>

(₹ in Crore)

Financial Liabilities	Fair value through profit or loss	Derivatives designated as hedging instruments	Amortised cost	Total carrying value	Total fair value
Borrowings	-	-	42,821	42,821	43,219
Trade payables	807	-	4,404	5,211	5,211
Operational buyers' credit / suppliers' credit	-	-	13,315	13,315	13,315
Derivatives	89	157	-	246	246
Other financial liabilities**	-	-	10,650	10,650	10,650
<b>Total</b>	<b>896</b>	<b>157</b>	<b>71,190</b>	<b>72,243</b>	<b>72,641</b>

\*Excludes investments (in equity shares, preference shares and debentures) in subsidiaries, associates and joint ventures which are carried at cost and hence are not required to be disclosed as per Ind AS 107 "Financial Instruments Disclosures".

\*\*Includes lease liabilities of ₹ 8 Crore (31 March 2025: ₹ 456 Crore).



**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

**B. Fair value hierarchy**

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

- (i) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- (ii) 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).
- (iii) Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs)

The below table summarises the categories of financial assets and liabilities as at 31 March 2026 and 31 March 2025 measured at fair value:

<b>As at 31 March 2026</b>			
<b>Financial Assets</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
(₹ in Crore)			
<b>At fair value through profit or loss</b>			
-Investments	745	-	12
-Derivative financial assets*	-	1	-
-Trade receivables	-	228	-
<b>At fair value through other comprehensive income</b>			
-Investments	90	-	15
<b>Derivatives designated as hedging instruments</b>			
-Derivative financial assets*	-	374	-
<b>Total</b>	<b>835</b>	<b>603</b>	<b>27</b>

<b>Financial liabilities</b>			
<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
(₹ in Crore)			
<b>At fair value through profit or loss</b>			
-Derivative financial liabilities*	-	-	-
-Trade payables	-	2,670	-
<b>Derivatives designated as hedging instruments</b>			
-Derivative financial liabilities*	-	84	-
<b>Total</b>	<b>-</b>	<b>2,754</b>	<b>-</b>

<b>As at 31 March 2025</b>			
<b>Financial Assets</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
(₹ in Crore)			
<b>At fair value through profit or loss</b>			
-Investments	1,678	-	297
-Derivative financial assets*	-	32	-
-Trade receivables	-	83	-
<b>At fair value through other comprehensive income</b>			
-Investments	39	-	92
<b>Derivatives designated as hedging instruments</b>			
-Derivative financial assets*	-	273	-
<b>Total</b>	<b>1,717</b>	<b>388</b>	<b>389</b>

<b>Financial liabilities</b>			
<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
(₹ in Crore)			
<b>At fair value through profit or loss</b>			
-Derivative financial liabilities*	-	89	-
-Trade payables	-	807	-
<b>Derivatives designated as hedging instruments</b>			
-Derivative financial liabilities*	-	157	-
<b>Total</b>	<b>-</b>	<b>1,053</b>	<b>-</b>

**Reconciliation of Level 3 fair value measurement**

		(₹ in Crore)
<b>At 01 April 2024</b>		<b>203</b>
Investments made during the year		186
<b>At 01 April 2025</b>		<b>389</b>
Investments made during the year		121
Investments redeemed during the year		(1)
<b>At 31 March 2026 (including discontinued operations)</b>		<b>509</b>
Less: Transferred to discontinued operations (Refer Note 45)		(482)
<b>At 31 March 2026</b>		<b>27</b>



**Vedanta Limited****Notes forming part of the financial statements as at and for the year ended 31 March 2026**

\* Refer "D" below.

The below table summarises the fair value of borrowings which are carried at amortised cost as at 31 March 2026 and 31 March 2025:

<b>As at 31 March 2026</b>			
	(₹ in Crore)		
<b>Financial Liabilities</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Borrowings	-	11,028	-
<b>Total</b>	-	<b>11,028</b>	-

<b>As at 31 March 2025</b>			
	(₹ in Crore)		
<b>Financial Liabilities</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
Borrowings	-	43,219	-
<b>Total</b>	-	<b>43,219</b>	-

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).

Trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, current borrowings, trade payables and other current financial liabilities: Fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.

Non-current 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.

Other non-current financial assets and 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.

Derivative financial assets/ liabilities: The Company executes 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 include the forward pricing and swap models, using present value calculations. The models incorporate various inputs including 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 (U.K.).

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 31 March 2026 and 31 March 2025 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 year-end.

There are no transfers between Level 1, Level 2 and Level 3 during the year.

**C. Risk management framework**

The Company's businesses are subject to several risks and uncertainties including financial risks.



## **Vedanta Limited**

### **Notes forming part of the financial statements as at and for the year ended 31 March 2026**

The Company's documented risk management policies act as an effective tool in mitigating the various financial risks to which the businesses are exposed in the course of their daily operations. The risk management policies cover areas such as liquidity risk, commodity price risk, foreign exchange risk, interest rate risk, counterparty credit risk and capital management. Risks are identified at both the corporate and individual subsidiary level with active involvement of senior management. Each operating subsidiary in the Company has in place risk management processes which are in line with the Company's policy. Each significant risk has a designated 'owner' within the Company at an appropriate senior level. The potential financial impact of the risk and its likelihood of a negative outcome are regularly updated.

The risk management process is coordinated by the Management Assurance function and is regularly reviewed by the Company's Audit and Risk Management Committee ("ARC"). The ARC is aided by the other Committees of the Board including the Risk Management Committee, which meets regularly to review risks as well as the progress against the planned actions. Key business decisions are discussed at the periodic meetings of the Executive Committee. The overall internal control environment and risk management programme including financial risk management is reviewed by the Audit Committee on behalf of the Board.

The risk management framework aims to:

- improve financial risk awareness and risk transparency
- identify, control and monitor key risks
- identify risk accumulations
- provide management with reliable information on the Company's risk situation
- improve financial returns

#### **Treasury management**

Treasury management focuses on liability management, capital protection, liquidity maintenance and yield maximisation. The treasury policies are approved by the Committee of the Board. Daily treasury operations of the business units are managed by their respective finance teams within the framework of the overall Group treasury policies. Long-term fund raising including strategic treasury initiatives are managed jointly by the business treasury team and the central team at corporate treasury while short-term funding for routine working capital requirements is delegated to business units. A monthly reporting system exists to inform senior management of the Company's investments and debt position, exposure to currency, commodity and interest rate risk and their mitigants including the derivative position. The Company has a strong system of internal control which enables effective monitoring of adherence to Company's policies. The internal control measures are effectively supplemented by regular internal audits.

The Company uses derivative instruments to manage the exposure in foreign currency exchange rates, interest rates and commodity prices. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes. The Company does not enter into complex derivative transactions to manage the treasury and commodity risks. Both treasury and commodities derivative transactions are normally in the form of forward contracts, interest rate and currency swaps and these are in line with the Company's policies.

#### **Commodity price risk**

The Company is exposed to the movement of base metal commodity prices on the London Metal Exchange. Any decline in the prices of the base metals that the Company produces and sells will have an immediate and direct impact on the profitability of the businesses. As a general policy, the Company aims to sell the products at prevailing market prices. The commodity price risk in imported input commodity such as alumina, anodes, etc., for our aluminium and copper business respectively, is hedged on back-to-back basis ensuring no price risk for the business. Hedging is used primarily as a risk management tool and, in some cases, to secure future cash flows in cases of high volatility by entering into forward contracts or similar instruments. The hedging activities are subject to strict limits set out by the Board and to a strictly defined internal control and monitoring mechanism. Decisions relating to hedging of commodities are taken at the Executive Committee level, basis clearly laid down guidelines.

Whilst the Company aims to achieve average LME prices for a month or a year, average realised prices may not necessarily reflect the LME price movements because of a variety of reasons such as uneven sales during the year and timing of shipments.

The Company is also exposed to the movement of international crude oil price and the discount in the price of Rajasthan crude oil to Brent price.

Financial instruments with commodity price risk are entered into in relation to following activities:

- economic hedging of prices realised on commodity contracts
- cash flow hedging of revenues, forecasted highly probable transactions



**Vedanta Limited****Notes forming part of the financial statements as at and for the year ended 31 March 2026****Aluminium**

The requirement of the primary raw material, alumina, is partly met from own sources and the rest is purchased primarily on negotiated price terms. Sales prices are linked to the LME prices. At present, the Company, on selective basis hedges the aluminium content in outsourced alumina to protect its margins. The Company also executes hedging arrangements for its aluminium sales to realise average month of sale LME prices.

**Copper**

The Company's custom refining copper operations at Silvassa is benefitted by a natural hedge except to the extent of a possible mismatch in quotational periods between the purchase of anodes / blisters and the sale of finished copper. The Company's policy on custom smelting is to generate margins from Refining Charges or "RC", improving operational efficiencies, minimising conversion cost, generating a premium over LME on sale of finished copper, sale of by-products and from achieving import parity on domestic sales. Hence, mismatches in quotational periods are managed to ensure that the gains or losses are minimised. The Company hedges this variability of LME prices through forward contracts and tries to make the LME price a pass-through cost between purchases of anodes/ blisters and sales of finished products, both of which are linked to the LME price.

RCs are a major source of income for the Indian copper refining operations. Fluctuations in RCs are influenced by factors including demand and supply conditions prevailing in the market for smelters output. The Company's copper business has a strategy of securing a majority of its anodes/ blisters feed requirement under long-term contracts with smelters/ traders.

**Iron ore**

The Company sells its Iron Ore production from Goa on the prevailing market prices and from Karnataka through e-auction route as mandated by State Government of Karnataka in India.

**Oil and Gas**

The prices of various crude oils are based upon the price of the key physical benchmark crude oil such as Dated Brent, West Texas Intermediate, and Dubai/ Oman etc. The crude oil prices move based upon market factors like supply and demand. The regional producers price their crude basis these benchmark crude with a premium or discount over the benchmark based upon quality differential and competitiveness of various grades.

Natural gas markets are evolving differently in important geographical markets. There is no single global market for natural gas. This could be owing to difficulties in large-scale transportation over long distances as compared to crude oil. Globally, there are three main regional hubs for pricing of natural gas, which are USA (Henry Hub Prices), UK (NBP Price) and Japan (imported gas price, mostly linked to crude oil).

**Provisionally priced financial instruments**

On 31 March 2026, the value of net financial liabilities linked to commodities (excluding derivatives) accounted for on provisional prices was ₹ 2,442 Crore (31 March 2025: liabilities of ₹ 724 Crore). These instruments are subject to price movements at the time of final settlement and the final price of these instruments will be determined in the financial year beginning 01 April 2026.

Set out below is the impact of 10% increase in LME prices on pre-tax profit/ (loss) for the year and pre-tax total equity as a result of changes in value of the Company's commodity financial instruments:

**For the year ended 31 March 2026**

(₹ in Crore)

Particulars	Total Exposure	Effect on profit/(loss) of a 10% increase in the LME	Effect on total equity of a 10% increase in the LME
Copper	(1,442)	(144)	-

**For the year ended 31 March 2025**

(₹ in Crore)

Particulars	Total Exposure	Effect on profit/(loss) of a 10% increase in the LME	Effect on total equity of a 10% increase in the LME
Copper	(1,702)	(170)	-

The above sensitivities are based on volumes, costs, exchange rates and other variables and provide the estimated impact of a change in LME prices on profit and equity assuming that all other variables remain constant. A 10% decrease in LME prices would have an equal and opposite effect on the Company's financial statements.

The impact on pre-tax profit/ (loss) mentioned above includes the impact of a 10% increase in closing copper LME for provisionally priced copper concentrate purchased at Copper division custom smelting operations in India of ₹ 180 Crore loss (31 March 2025: ₹ 204 Crore loss), which is pass through in nature and as such will not have any impact on the profitability.



**Vedanta Limited****Notes forming part of the financial statements as at and for the year ended 31 March 2026****Financial risk**

The Company's Board approved financial risk policies include monitoring, measuring and mitigating the liquidity, currency, interest rate and counterparty risk. The Company does not engage in speculative treasury activity but seeks to manage risk and optimize interest and commodity pricing through proven financial instruments.

**(a) Liquidity**

The Company's liquidity position remains strong, supported by healthy cash generation from operations and prudent financial management. The business requires funding for both short-term operational needs and long-term strategic investments, primarily driven by growth projects across its key business segments. These requirements are met through internal accruals, supplemented by available cash balances, cash equivalents and short-term investments, which collectively provide a stable and reliable liquidity buffer. The Company has been rated by CRISIL Limited (CRISIL), ICRA Limited (ICRA) and India Ratings and Research Private Limited (India Rating) for its capital market issuance in the form of CPs and NCDs and for its banking facilities in line with Basel II norms.

During the year ended 31 March 2026, CRISIL reaffirmed the Company's long term rating at 'CRISIL AA' and its short term rating at 'CRISIL A1+', with the ratings continuing on Watch with Developing Implications. ICRA similarly reaffirmed the long term rating at 'ICRA AA' and short term rating at 'ICRA A1+', also maintaining the Watch with Developing Implications classification. India Ratings reaffirmed the Company's long term rating at 'IND AA' with the watch status unchanged.

The ratings reflect VDL's strong momentum in consolidated profitability, supported by its cost efficient operations across key business segments, particularly aluminium and zinc. This performance is complemented by an improved capital structure, with a meaningful reduction in debt and leverage to levels below rating thresholds, resulting in a strengthened overall credit profile. The Company has also achieved a material reduction in refinancing risk and enhanced its financial flexibility, further supporting the stability of its liquidity position.

At the same time, the continuation of the rating watch across all agencies reflects the ongoing process related to the demerger of Vedanta's businesses into standalone listed entities. Rating agencies are closely monitoring developments pertaining to the organisational restructuring, including the final allocation of liabilities and the post demerger financial profile of each resulting entity.

Anticipated future cash flows, together with undrawn fund based committed facilities of ₹ 1,727 Crore, and cash, bank and short term investments of ₹ 3,217 Crore as at 31 March 2026, are expected to be sufficient to meet the liquidity requirement of the Company in the near future.

The Company remains committed to maintaining a healthy liquidity, a low gearing ratio, deleveraging and strengthening its balance sheet. The maturity profile of the Company's financial liabilities based on the remaining period from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the Company.

<b>As at 31 March 2026</b>						(₹ in Crore)
<b>Payments due by year</b>	<b>&lt;1 year</b>	<b>1-3 years</b>	<b>3-5 years</b>	<b>&gt;5 years</b>	<b>Total</b>	
Borrowings *	1,778	8,648	602	-	11,028	
Derivative financial liabilities	24	60	-	-	84	
Lease liabilities	4	4	-	-	8	
Trade Payables and other financial liabilities **	10,416	-	-	-	10,416	
<b>Total</b>	<b>12,222</b>	<b>8,712</b>	<b>602</b>	<b>-</b>	<b>21,536</b>	

<b>As at 31 March 2025</b>						(₹ in Crore)
<b>Payments due by year</b>	<b>&lt;1 year</b>	<b>1-3 years</b>	<b>3-5 years</b>	<b>&gt;5 years</b>	<b>Total</b>	
Borrowings *	17,149	22,077	7,437	6,885	53,548	
Derivative financial liabilities	200	46	-	-	246	
Lease liabilities	251	161	29	194	635	
Trade Payables and other financial liabilities **	28,353	2	-	-	28,355	
<b>Total</b>	<b>45,953</b>	<b>22,286</b>	<b>7,466</b>	<b>7,079</b>	<b>82,784</b>	

\* Includes non-current borrowings, current borrowings, committed interest payments on borrowings and interest accrued on borrowings.

\*\* Includes both non-current and current financial liabilities and committed interest payment, as applicable. Excludes interest accrued on borrowings.



**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

**The Company had access to following funding facilities :**

(₹ in Crore)			
<b>As at 31 March 2026</b>			
<b>Funding facilities</b>	<b>Total Facility</b>	<b>Drawn</b>	<b>Undrawn</b>
Fund/non-fund based	11,066	8,086	2,980
<b>As at 31 March 2025</b>			
<b>Funding facilities</b>	<b>Total Facility</b>	<b>Drawn</b>	<b>Undrawn</b>
Fund/non-fund based	60,532	53,067	7,465

**(b) Foreign exchange risk**

Fluctuations in foreign currency exchange rates may have an impact on the statement of profit and loss, the statement of changes in equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the Company.

Exposures on foreign currency loans are managed through the Company wide hedging policy, which is reviewed periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed. The Company strives to achieve asset liability offset of foreign currency exposures and only the net position is hedged.

The Company's presentation currency is the Indian Rupee (INR). The assets are located in India and the Indian Rupee is the functional currency except for Oil and Gas business operations which have a dual functional currency. Natural hedges available in the business are identified at each entity level and hedges are placed only for the net exposure. Short-term net exposures are hedged progressively based on their maturity. A more conservative approach has been adopted for project expenditures to avoid budget overruns, where cost of the project is calculated taking into account the hedge cost. The hedge mechanisms are reviewed periodically to ensure that the risk from fluctuating currency exchange rates is appropriately managed.

The following analysis is based on the gross exposure as at the reporting date which could affect the statement of profit and loss. The exposure is mitigated by some of the derivative contracts entered into by the Company as disclosed under the section on "Derivative financial instruments".

The carrying amount of the Company's financial assets and liabilities in different currencies are as follows:

Currency	As at 31 March 2026		As at 31 March 2025	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
INR	4,475	13,240	17,235	52,719
USD	1,133	8,256	3,153	19,256
Others	-	10	308	268
<b>Total</b>	<b>5,608</b>	<b>21,506</b>	<b>20,696</b>	<b>72,243</b>

The Company's exposure to foreign currency arises where an entity holds monetary assets and liabilities denominated in a currency different to the functional currency of the respective business, with US dollar being the major non-functional currency.

The foreign exchange rate sensitivity is calculated by the aggregation of the net foreign exchange rate exposure with a simultaneous parallel foreign exchange rates shift in the foreign currencies by 10% against the functional currency of the respective businesses.

Set out below is the impact of a 10% strengthening in the functional currencies of the respective businesses on pre-tax profit/ (loss) and pre-tax equity arising as a result of the revaluation of the Company's foreign currency monetary financial assets/ liabilities:

**For the year ended 31 March 2026**

Particulars	(₹ in Crore)	
	Effect of 10% strengthening of functional currency on pre-tax profit/ (loss)	Effect of 10% strengthening of foreign currency on equity
USD	712	-
INR	876	-

**For the year ended 31 March 2025**

Particulars	(₹ in Crore)	
	Effect of 10% strengthening of functional currency on pre-tax profit/ (loss)	Effect of 10% strengthening of foreign currency on equity
USD	1,607	-
INR	(10)	-



**Vedanta Limited****Notes forming part of the financial statements as at and for the year ended 31 March 2026**

A 10% weakening of functional currencies of the respective businesses would have an equal and opposite effect on the Company's financial statements.

**(c) Interest rate risk**

At 31 March 2026, the Company's net debt of ₹ 7,431 Crore (31 March 2025: ₹ 36,690 Crore) comprises debt of ₹ 10,648 Crore (31 March 2025: ₹ 42,821 Crore) offset by cash, bank and short term investments of ₹ 3,217 Crore (31 March 2025: ₹ 6,131 Crore).

The Company is exposed to interest rate risk on short-term and long-term floating rate instruments and on the refinancing of fixed rate debt. The Company's policy is to maintain a balance of fixed and floating interest rate borrowings and the proportion of fixed and floating rate debt is determined by current market interest rates. The borrowings of the Company are principally denominated in Indian Rupees and US dollars with mix of fixed and floating rates of interest. The USD floating rate debt is linked to US dollar SOFR and INR Floating rate debt to Bank's base rate. The Company has a policy of selectively using interest rate swaps, option contracts and other derivative instruments to manage its exposure to interest rate movements. These exposures are reviewed by appropriate levels of management on a monthly basis. The Company invests cash and liquid investments in short-term deposits and debt mutual funds, some of which generate a tax-free return, to achieve the Company's goal of maintaining liquidity, carrying manageable risk and achieving satisfactory returns.

Floating rate financial assets are largely mutual fund investments which have debt securities as underlying assets. The returns from these financial assets are linked to market interest rate movements; however the counterparty invests in the agreed securities with known maturity tenure and return and hence has manageable risk.

The exposure of the Company's financial assets as at 31 March 2026 to interest rate risk is as follows:

(₹ in Crore)				
As at 31 March 2026	Total	Floating rate Financial assets	Fixed rate financial assets	Non-interest bearing financial assets
Financial Assets	5,608	746	1,624	3,238

The exposure of the Company's financial liabilities as at 31 March 2026 to interest rate risk is as follows:

(₹ in Crore)				
As at 31 March 2026	Total	Floating rate Financial liabilities	Fixed rate financial liabilities	Non-interest bearing financial liabilities
Financial Liabilities	21,506	9,450	5,963	6,093

The exposure of the Company's financial assets as at 31 March 2025 to interest rate risk is as follows:

(₹ in Crore)				
As at 31 March 2025	Total	Floating rate Financial assets	Fixed rate financial assets	Non-interest bearing financial assets
Financial Assets	20,696	1,166	6,085	13,445

The exposure of the Company's financial liabilities as at 31 March 2025 to interest rate risk is as follows:

(₹ in Crore)				
As at 31 March 2025	Total	Floating rate Financial liabilities	Fixed rate financial liabilities	Non-interest bearing financial liabilities
Financial Liabilities	72,243	22,576	33,988	15,679

Considering the net debt position as at 31 March 2026 and the investment in bank deposits, corporate bonds and debt mutual funds, any increase in interest rates would result in a net loss and any decrease in interest rates would result in a net gain. The sensitivity analysis below has been determined based on the exposure to interest rates for financial instruments at the balance sheet date.



**Vedanta Limited****Notes forming part of the financial statements as at and for the year ended 31 March 2026**

The table below illustrates the impact of a 0.5% to 2.0% movement in interest rates on floating rate financial assets/ liabilities (net) on profit/ (loss) and equity assuming that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of that date. The year-end balances are not necessarily representative of the average debt outstanding during the year. This analysis also assumes that all other variables, in particular foreign currency rates, remain constant.

(₹ in Crore)		
Increase in interest rates	Effect on pre-tax profit/(loss) during the year ended 31 March 2026	Effect on pre-tax profit/(loss) during the year ended 31 March 2025
0.50%	(44)	(107)
1.00%	(87)	(215)
2.00%	(174)	(430)

An equivalent reduction in interest rates would have an equal and opposite effect on the Company's financial statements.

**(d) Counterparty and concentration of credit risk**

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

The Company is exposed to credit risk from trade receivables, contract assets, investments, loans, other financial assets, and derivative financial instruments.

Credit risk on receivables is limited as almost all credit sales are against letters of credit and guarantees of banks of national standing.

Moreover, given the diverse nature of the Company's businesses trade receivables are spread over a number of customers with no significant concentration of credit risk. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk on account of non-performance by any of the Company's counterparties.

The Company has clearly defined policies to mitigate counterparty risks. For current investments, counterparty limits are in place to limit the amount of credit exposure to any one counterparty. This, therefore, results in diversification of credit risk for our mutual fund and bond investments. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions.

The carrying value of the financial assets represents the maximum credit exposure. The Company's maximum exposure to credit risk is ₹ 5,608 Crore and ₹ 20,692 Crore as at 31 March 2026 and 31 March 2025 respectively.

The maximum credit exposure on financial guarantees given by the Company for various financial facilities is described in Note 38 on "Commitments, contingencies, and guarantees".

None of the Company's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade receivables, loans and other financial assets (both current and non-current), there were no indications as at the year end, that defaults in payment obligations will occur except as described in Notes 7, 8 and 9 on allowance for impairment of trade receivables, loans and other financial assets.

Of the year end trade receivables, loans and other financial assets (excluding bank deposits, site restoration fund and derivatives) balance the following, though overdue, are expected to be realised in the normal course of business and hence, are not considered impaired as at 31 March 2026 and 31 March 2025:

(₹ in Crore)		
Particulars	As at 31 March 2026	As at 31 March 2025
Neither impaired nor past due	989	7,512
<b>Past due but not impaired</b>		
- Less than 1 month	142	1,311
- Between 1-3 months	466	123
- Between 3-12 months	242	555
- Greater than 12 months	61	2,687
<b>Total</b>	<b>1,900</b>	<b>12,188</b>



**Vedanta Limited****Notes forming part of the financial statements as at and for the year ended 31 March 2026**

Receivables are deemed to be past due or impaired with reference to the Company's normal terms and conditions of business. These terms and conditions are determined on a case to case basis with reference to the customer's credit quality and prevailing market conditions. Receivables that are classified as 'past due' in the above tables are those that have not been settled within the terms and conditions that have been agreed with that customer. The Company based on past experiences does not expect any material loss on its receivables.

The credit quality of the Company's customers is monitored on an ongoing basis. Where receivables have been impaired, the Company actively seeks to recover the amounts in question and enforce compliance with credit terms.

**Movement in allowances for Financial Assets (Trade receivables and financial assets - others)**

The changes in the allowance for financial assets (current and non-current) is as follows:

Particulars	(₹ in Crore)		
	Trade receivables	Financial assets - others	Financial assets - loans
<b>As at 01 April 2024</b>	<b>1,031</b>	<b>893</b>	<b>5</b>
Allowance made during the year	294	35	-
Reversals/ write-off during the year	(316)	(13)	-
Exchange differences	-	13	-
<b>As at 31 March 2025</b>	<b>1,009</b>	<b>928</b>	<b>5</b>
Allowance made during the year	120	128	182
Reversals/ write-off during the year	(215)	-	-
Exchange differences	-	(175)	-
<b>As at 31 March 2026 (including discontinued operations)</b>	<b>914</b>	<b>881</b>	<b>187</b>
Transferred to discontinued operations (Refer Note 45)	(910)	(864)	(187)
<b>As at 31 March 2026</b>	<b>4</b>	<b>17</b>	<b>-</b>

**D. Derivative financial instruments**

The Company uses derivative instruments as part of its management of exposure to fluctuations in foreign currency exchange rates, interest rates and commodity prices. The Company does not acquire or issue derivative financial instruments for trading or speculative purposes. The Company does not enter into complex derivative transactions to manage the treasury and commodity risks. Both treasury and commodities derivative transactions are normally in the form of forward contracts and these are subject to the Company guidelines and policies.

The fair values of all derivatives are separately recorded in the balance sheet within current and non-current assets and liabilities. Derivatives that are designated as hedges are classified as current or non-current depending on the maturity of the derivative.

The use of derivatives can give rise to credit and market risk. The Company tries to control credit risk as far as possible by only entering into contracts with reputable banks and financial institutions. The use of derivative instruments is subject to limits, authorities and regular monitoring by appropriate levels of management. The limits, authorities and monitoring systems are periodically reviewed by management and the Board. The market risk on derivatives is mitigated by changes in the valuation of the underlying assets, liabilities or transactions, as derivatives are used only for risk management purposes.

**(i) Cash flow hedges**

The Company enters into forward exchange and commodity price contracts for hedging highly probable forecast transaction and account for them as cash flow hedges and states them at fair value. Subsequent changes in fair value are recognized in equity through OCI until the hedged transaction occurs, at which time, the respective gain or losses are reclassified to profit or loss. These hedges have been effective for the year ended 31 March 2026.

The Company uses foreign exchange contracts from time to time to optimize currency risk exposure on its foreign currency transactions. The Company hedged part of its foreign currency exposure on capital commitments during the year ended 31 March 2026. Fair value changes on such forward contracts are recognized in other comprehensive income.

The majority of cash flow hedges taken out by the Company during the year comprise non-derivative hedging instruments for hedging the foreign exchange rate of highly probable forecast transactions and commodity price contracts for hedging the commodity price risk of highly probable forecast transactions.

The cash flows related to above are expected to occur during the year ended 31 March 2026 and consequently may impact profit or loss for that year depending upon the change in the commodity prices and foreign exchange rates movements. For cash flow hedges regarded as basis adjustments to initial carrying value of the property, plant and equipment, the depreciation on the basis adjustments made is expected to affect profit or loss over the expected useful life of the property, plant and equipment.



**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

**(ii) Fair value hedge**

The fair value hedges relate to forward covers taken to hedge currency exposure and commodity price risks.

The Company's sales are on a quotational period basis, generally one month to three months after the date of delivery at a customer's facility. The Company enters into forward contracts for the respective quotational period to hedge its commodity price risk based on average LME prices. Gains and losses on these hedge transactions are substantially offset by the amount of gains or losses on the underlying sales. Net gains and losses are recognized in the statement of profit and loss.

The Company uses foreign exchange contracts from time to time to optimize currency risk exposure on its foreign currency transactions. Fair value changes on such forward contracts are recognized in the statement of profit and loss.

**(iii) Non- designated economic hedge**

The Company enters into derivative contracts which are not designated as hedges for accounting purposes, but provide an economic hedge of a particular transaction risk or a risk component of a transaction. Hedging instruments include copper, aluminium future contracts on the LME and certain other derivative instruments. Fair value changes on such derivative instruments are recognized in the statement of profit and loss.

The fair value of the Company's derivative positions recorded under derivative financial assets and derivative financial liabilities are as follows:

Derivative Financial Instruments	(₹ in Crore)			
	As at 31 March 2026		As at 31 March 2025	
	Assets	Liabilities	Assets	Liabilities
<b>Current</b>				
<b>Cash flow hedge*</b>				
- Commodity contracts	-	-	265	-
- Forward foreign Currency contracts	69	-	-	3
- Interest rate swap	-	-	4	88
<b>Fair Value hedge</b>				
- Commodity contracts	118	10	4	15
- Forward foreign currency contracts	96	14	-	51
<b>Non - qualifying hedges/economic hedge</b>				
- Commodity contracts	-	-	1	-
- Forward foreign currency contracts	1	-	31	43
<b>Sub-total (A)</b>	<b>284</b>	<b>24</b>	<b>305</b>	<b>200</b>
<b>Non-current</b>				
<b>Cash flow hedge</b>				
- Principal only swap	86	-	-	-
- Interest RATE swap	4	60	-	-
<b>Non - qualifying hedges/economic hedge</b>				
- Forward foreign currency contracts	-	-	-	2
- Cross Currency swap	-	-	-	44
<b>Sub-total (B)</b>	<b>90</b>	<b>60</b>	<b>-</b>	<b>46</b>
<b>Total (A+B)</b>	<b>374</b>	<b>84</b>	<b>305</b>	<b>246</b>

\* Refer statement of profit and loss and statement of changes in equity for the changes in the fair value of cash flow hedges.

**E. Disclosure of effect of Hedge Accounting:**

**1. Cash Flow Hedge**

**Hedging instrument**

(₹ in Crore)

Particulars	Nominal Value	Quantity	Carrying Amount		Line in Balance Sheet
			Assets	Liabilities	
<b>As at 31 March 2026</b>					
<u>Commodity Price risk</u>					
Derivative Contracts - Aluminium	-	-	-	-	Current Financial Asset-Derivatives
Derivative Contracts - Aluminium	-	-	-	-	Future sales of commodities - Aluminium
<u>Principal Only Swap</u>					
- Principal Only Swap	-	-	86	-	Current Financial Asset/Liabilities-Derivatives
<u>Interest Rate Risk</u>					
Interest rate swaps	-	-	4	60	Current Financial Asset/Liabilities-Derivatives
<u>Foreign Currency Risk</u>					
Derivative Contract	-	-	69	-	Current Financial Liabilities-Derivatives



**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

**As at 31 March 2025**

<u>Commodity Price risk</u>					
Derivative Contracts - Aluminium	4,655	2,86,950	265	-	Current financial assets/ liabilities - Derivatives
<u>Interest Rate Risk</u>					
Interest rate swaps	1,855	-	4	88	Current financial assets/ liabilities - Derivatives
<u>Foreign Currency Risk</u>					
Derivative Contract	417	-	-	3	Current financial liabilities - Derivatives

**2. Fair Value Hedge**

**Hedging instrument**

(₹ in Crore)

Particulars	Nominal Value	Quantity	Carrying Amount		Line in Balance Sheet
			Assets	Liabilities	
<b>As at 31 March 2026</b>					
<u>Commodity Price risk</u>					
Derivative Contract - Aluminium	-	-	-	-	Current Financial Liabilities-Derivatives
Derivative Contract - Copper	(5,30,433)	-	118	10	Current Financial Asset-Derivatives
Derivative Contract - Silver	-	-	-	-	Current Financial Asset/Liabilities-Derivatives
Derivative Contract - Gold	-	-	-	-	Current Financial Liabilities-Derivatives
<u>Foreign Currency Risk</u>					
Forward Contracts	43	-	96	14	Current Financial Liabilities-Derivatives
<b>As at 31 March 2025</b>					
<u>Commodity Price risk</u>					
Derivative Contract - Aluminium	473	21,550	-	10	Current Financial Liabilities-Derivatives
Derivative Contract - Copper	647	7,825	4	-	Current Financial Asset-Derivatives
Derivative Contract - Silver	43	1,46,834	0	0	Current Financial Asset/Liabilities-Derivatives
Derivative Contract - Gold	462	16,404	-	5	Current Financial Liabilities-Derivatives
<u>Foreign Currency Risk</u>					
Forward Contracts	4,171	-	-	51	Current Liabilities-Derivatives

**Hedged Item**

(₹ in Crore)

Particulars	Carrying Amount		Line in Balance Sheet
	Asset	Liability	
<b>As at 31 March 2026</b>			
<u>Commodity Price risk</u>			
Firm Commitments on sale of inventories - Aluminium	-	-	Inventories
Firm Commitments on sale of inventories - Copper	-	-	Inventories
Firm Commitments on sale of inventories - Silver	-	-	Inventories
Firm Commitments on sale of inventories - Gold	-	-	Inventories
<u>Foreign Currency Risk</u>			
Foreign currency payables - Borrowings	-	-	Borrowings
<b>As at 31 March 2025</b>			
<u>Commodity Price risk</u>			
Firm Commitments on sale of inventories - Aluminium	473	-	Inventories
Firm Commitments on sale of inventories - Copper	4	-	Inventories
Firm Commitments on sale of inventories - Silver	43	-	Inventories
Firm Commitments on sale of inventories - Gold	437	-	Inventories
<u>Foreign Currency Risk</u>			
Foreign Currency Payables - Borrowings	-	4,171	Borrowings



**Vedanta Limited**  
Notes forming part of the financial statements as at and for the year ended 31 March 2026

**F. Movement in Hedging Reserve**

(₹ in Crore)

Particulars	2025-26	2024-25	Line in Balance Sheet/ Statement of Profit and Loss
At the beginning of year	151	(37)	
Other comprehensive loss for the year (net of tax impact)	(2,931)	485	Net gain/ (loss) on cash flow hedges recognised
<u>Amount Reclassified to profit and Loss during the year</u>	<u>296</u>	<u>(297)</u>	
At the end of year	<b>(2,484)</b>	<b>151</b>	Hedging reserve

**G. Derivative contracts executed by the Company and outstanding as at Balance Sheet date :**

(i) To hedge currency risks and interest related risks, the Company has executed various derivatives contracts. The category wise break up of amount

(₹ in Crore)

Particulars	As at	
	31 March 2026	31 March 2025
Forex forward cover (buy)	4,014	10,614
Forex forward cover (sell)	312	184
Interest rate swap	-	1,855
<b>Total</b>	<b>4,326</b>	<b>12,653</b>

(ii) For hedging commodity related risks :- Category wise break up is given below.

(₹ in Crore)

Particulars	As at 31 March 2026		As at 31 March 2025	
	Purchases	Sales	Purchases	Sales
<b>Forwards/ Futures</b>				
Copper (MT)	6,800	4,775	13,175	5,350
Gold (Oz)	31,259	5,92,863	1,254	17,622
Silver (Oz)	1,06,103	3,53,474	63,857	1,02,764
Aluminium (MT)	-	-	13,02,675	14,88,950



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**Vedanta Limited****Notes forming part of the financial statements as at and for the year ended 31 March 2026****23 Other liabilities**

(₹ in Crore)

Particulars	As at 31 March 2026			As at 31 March 2025		
	Non-current	Current	Total	Non-current	Current	Total
Amount payable to owned post-employment benefit trust	-	-	-	-	14	14
Other statutory liabilities <sup>a</sup>	-	184	184	12	761	773
Deferred government grant <sup>b</sup>	8	1	9	2,235	83	2,318
Advance from customers <sup>c</sup>	-	77	77	1,083	2,727	3,810
Advance from related party (Refer note 39) <sup>c</sup>	-	6	6	-	8	8
Other liabilities	-	202	202	5	167	172
<b>Total</b>	<b>8</b>	<b>470</b>	<b>478</b>	<b>3,335</b>	<b>3,760</b>	<b>7,095</b>

- (a) Other statutory liabilities mainly include payable for PF, ESIC, withholding taxes, goods and service tax, VAT, etc.
- (b) Represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme and Special Economic Zone (SEZ) scheme on purchase of property, plant and equipment accounted for as government grant and being amortised over the useful life of such assets.
- (c) Advance from customers includes contract liabilities to be settled through delivery of goods. The amount of such balances as on 01 April 2024 was ₹ 6,545 Crore. During the current year, the Company has recognised revenue of ₹ 2,410 Crore of which ₹ 2,344 relates to discontinued operations (31 March 2025: ₹ 6,551 Crore of which ₹ 6,506 relates to discontinued operations) out of opening balances. All other changes are either due to receipt of fresh advances or exchange differences.

**24 Provisions**

(₹ in Crore)

Particulars	As at 31 March 2026			As at 31 March 2025		
	Non-current	Current	Total	Non-current	Current	Total
Provision for employee benefits (Refer note 25) <sup>a</sup>						
- Retirement Benefit	1	3	4	85	16	101
- Others	-	4	4	-	108	108
Provision for restoration, rehabilitation and environmental costs <sup>b,c</sup>	-	-	-	1,275	-	1,275
<b>Total</b>	<b>1</b>	<b>7</b>	<b>8</b>	<b>1,360</b>	<b>124</b>	<b>1,484</b>

- a) Provision for employee benefits includes gratuity, compensated absences, deferred cash bonus, etc.



**Vedanta Limited****Notes forming part of the financial statements as at and for the year ended 31 March 2026**

- b) The movement in provisions for restoration, rehabilitation and environmental costs is as follows [Refer note 3(a)(O)]:

Particulars	(₹ in Crore)
	<b>Restoration, rehabilitation and environmental costs (Refer c)</b>
<b>At 01 April 2024</b>	<b>1,244</b>
Additions	-
Amounts used	(17)
Unwinding of discount	54
Revision in estimates	(36)
Exchange differences	30
<b>At 01 April 2025</b>	<b>1,275</b>
Additions	-
Amounts used	(3)
Unwinding of discount	61
Revision in estimates	(37)
Exchange differences	121
<b>At 31 March 2026 (including discontinued operations)</b>	<b>1,417</b>
Less: Transferred to discontinued operations (Refer note 45)	(1,417)
<b>At 31 March 2026</b>	<b>-</b>

c) **Restoration, rehabilitation and environmental costs**

The provisions for restoration, rehabilitation and environmental liabilities represent the management's best estimate of the costs which will be incurred in the future to meet the Company's obligations under existing Indian law and the terms of the Company's exploration and other licences and contractual arrangements.

The principal restoration and rehabilitation provisions are recorded within oil and gas business where a legal obligation exists relating to the oil and gas fields, where costs are expected to be incurred in restoring the site of production facilities at the end of the producing life of an oil field. The Company recognises the full cost of site restoration as a liability when the obligation to rectify environmental damage arises.

These amounts are calculated by considering discount rates within the range of 4.25% to 4.75%, and become payable at the end of the producing life of an oil field and are expected to be incurred over a period of five to sixteen years.

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing production from a producing field.



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**Vedanta Limited****Notes forming part of the financial statements as at and for the year ended 31 March 2026****25 Employee Benefit Plans**

The Company participates in defined contribution and benefit plans, the assets of which are held (where funded) in separately administered funds.

For defined contribution plans, the amount charged to the statement of profit and loss is the total amount of contributions payable in the year.

For defined benefit plans, the cost of providing benefits under the plans is determined by actuarial valuation separately each year for each plan using the projected unit credit method by independent qualified actuaries as at the year end. Remeasurement gains and losses arising in the year are recognised in full in other comprehensive income for the year.

**i) Defined contribution plans**

The Company contributed a total of ₹ 7 Crore for the year ended 31 March 2026 and ₹ 6 Crore for the year ended 31 March 2025 to the following defined contribution plans in respect of its continuing operations.

Particulars	(₹ in Crore)	
	Year ended 31 March 2026	Year ended 31 March 2025
Employer's contribution to recognised provident fund and family pension fund	5	4
Employer's contribution to superannuation	2	2
Employer's contribution to National Pension Scheme (NPS)	-	-
<b>Total</b>	<b>7</b>	<b>6</b>

**Central recognised provident fund**

In accordance with the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, employees are entitled to receive benefits under the Provident Fund. Both the employee and the employer make monthly contributions to the plan at a predetermined rate (12% for the year ended 31 March 2026 and 12% for the year ended 31 March 2025) of an employee's basic salary, and includes contribution made to Family Pension fund as explained below. All employees have an option to make additional voluntary contributions. These contributions are made to the fund administered and managed by the Government of India (GOI) or to independently managed and approved funds. The Company has no further obligations under the fund managed by the GOI beyond its monthly contributions which are charged to the statement of profit and loss in the year they are incurred.

**Family pension fund**

The Pension Fund was established in 1995 and is managed by the Government of India. The employee makes no contribution to this fund but the employer makes a contribution of 8.33% of salary each month subject to a specified ceiling per employee (included in the 12% rate specified above). This is provided for every permanent employee on the payroll.

At the age of superannuation, contributions ceases and the individual receives a monthly payment based on the level of contributions through the years, and on their salary scale at the time they retire, subject to a maximum ceiling of salary level. The Government funds these payments, thus the Company has no additional liability beyond the contributions that it makes, regardless of whether the central fund is in surplus or deficit.

**Superannuation**

Superannuation, another pension scheme applicable in India, is applicable only to senior executives. The Company holds a policy with Life Insurance Corporation of India ("LIC"), to which it contributes a fixed amount relating to superannuation and the pension annuity is met by LIC as required, taking into consideration the contributions made. The Company has no further obligations under the scheme beyond its monthly contributions which are charged to the statement of profit and loss in the year they are incurred.

**National Pension Scheme**

National Pension Scheme is a retirement savings account for social security and welfare applicable for executives covered under the superannuation benefit of Vedanta Limited, on a choice basis. It was introduced to enable employees to select the treatment of superannuation component of their fixed salaries and avail the benefits offered by National Pension Scheme launched by Government of India. Vedanta Limited holds a corporate account with one of the pension fund managers authorized by the Government of India to which the Company contributes a fixed amount relating to superannuation and the pension annuity will be met by the fund manager as per rules of National Pension Scheme. The Company has no further obligations under the scheme beyond its monthly contributions which are charged to the statement of profit and loss in the year they are incurred.



**Vedanta Limited****Notes forming part of the financial statements as at and for the year ended 31 March 2026****ii) Defined benefit plans****(a) Contribution to provident fund trust (the "trust")**

The provident fund of the Iron Ore division is exempted under Section 17 of the Employees' Provident Funds and Miscellaneous Provisions Act, 1952. Conditions for grant of exemption stipulates that the employer shall make good deficiency, if any, between the return guaranteed by the statute and actual earning of the Fund. Based on actuarial valuation in accordance with Ind AS 19 and the Guidance note issued by the Institute of Actuaries of India for interest rate guarantee of exempted provident fund liability of employees, there is no interest shortfall in the funds managed by the trust as at 31 March 2026 and 31 March 2025. Having regard to the assets of the Fund and the return on the investments, the Company does not expect any deficiencies in the foreseeable future.

The Company contributed a total of ₹ 11 Crore for the year ended 31 March 2026 (31 March 2025: ₹ 10 Crore), disclosed as discontinued operations (Refer note 45). The present value of obligation and the fair value of plan assets of the trust are summarized below.

Particulars	(₹ in Crore)	
	Year ended 31 March 2026	Year ended 31 March 2025
Fair value of plan assets	-	337
Present value of defined benefit obligations	-	(343)
<b>Net liability arising from defined benefit obligation of trust *</b>	<b>-</b>	<b>(6)</b>

\* Net liability arising from defined benefit obligation of trust as at 31 March 2026 amounting to ₹ 7 Crore, is disclosed as discontinued operations (Refer Note 45).

**Percentage allocation of plan assets of trust**

Assets by category	Year ended	
	31 March 2026	31 March 2025
Government Securities	0%	46%
Debentures/ bonds	0%	41%
Equity	0%	13%
Fixed deposits	0%	0%

**(b) Gratuity plan**

In accordance with the Payment of Gratuity Act, 1972, the Company contributes to a defined benefit plan (the "Gratuity Plan") covering certain categories of employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, disability or termination of employment being an amount based on the respective employee's last drawn salary and the number of years of employment with the Company. The Gratuity plan is a funded plan and the Company makes contribution to recognised funds in India.

Based on actuarial valuations conducted as at year end using the projected unit credit method, a provision is recognised in full for the benefit obligation over and above the funds held in the Gratuity Plan. As a part of asset-liability matching strategy, each year, the Company based on actuarial valuations reviews funding and investments of these Plans and contributes the necessary amount to respective funds.

The iron ore and oil & gas division of the Company have constituted a trust recognised by Indian Income Tax Authorities for gratuity to employees, contributions to the trust are funded with the Life Insurance Corporation of India (LIC) and ICICI Prudential Life Insurance Company Limited (ICICI Pru).

**Principal actuarial assumptions**

Principal actuarial assumptions used to determine the present value of the Gratuity plan obligation are as follows:

Particulars	Year ended	
	31 March 2026	31 March 2025
Discount rate	7.26%	7.03%
Expected rate of increase in compensation level of covered employees	2%-10%	2%-10%
In service mortality	IALM (2012-14)	IALM (2012-14)
Post retirement mortality	LIC (1996-98) Ultimate	LIC (1996-98) Ultimate



**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

Amount recognised in the balance sheet consists of:

Particulars	(₹ in Crore)	
	Year ended 31 March 2026	Year ended 31 March 2025
Fair value of plan assets	24	203
Present value of defined benefit obligations	(28)	(304)
<b>Net liability arising from defined benefit obligation*</b>	<b>(4)</b>	<b>(101)</b>

\* Net liability arising from defined benefit obligation of trust as at 31 March 2026 amounting to ₹ 217 Crore, is disclosed as discontinued operations (Refer Note 45).

Amount recognised in the statement of profit and loss in respect of the Gratuity plan are as follows:

Particulars	(₹ in Crore)	
	Year ended 31 March 2026	Year ended 31 March 2025
Current service cost	43	32
Past service cost	80	-
Net interest cost	7	8
Less: Transferred to discontinued operations (Refer Note 45)	(120)	(39)
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>10</b>	<b>1</b>

Amount recognised in the other comprehensive income in respect of the Gratuity plan are as follows:

Particulars	(₹ in Crore)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>Re-measurement of the net defined benefit obligation:-</b>		
Actuarial losses arising from demographic adjustments	0	1
Actuarial losses arising from experience adjustments	21	5
Actuarial losses arising from changes in financial assumptions	(9)	1
Losses on plan assets	-	1
Less: Transferred to discontinued operations (Refer Note 45)	(14)	(7)
<b>Components of defined benefit (gains)/ costs recognised in other comprehensive income</b>	<b>(2)</b>	<b>1</b>

Movement in present value of the Gratuity plan:

Particulars	(₹ in Crore)	
	Year ended 31 March 2026	Year ended 31 March 2025
Opening balance	304	281
Current service cost	43	32
Past service cost	80	-
Benefits paid	(34)	(37)
Interest cost	21	21
Actuarial losses arising from changes in assumptions	11	7
Less: Transferred to discontinued operations (Refer note 45)	(397)	-
<b>Closing balance</b>	<b>28</b>	<b>304</b>

Movement in the fair value of Gratuity plan assets is as follows:

Particulars	(₹ in Crore)	
	Year ended 31 March 2026	Year ended 31 March 2025
Opening balance	203	175
Contributions received	21	54
Benefits paid	(34)	(37)
Re-measurement loss arising from return on plan assets	-	(2)
Interest income	14	13
Less: Transferred to discontinued operations (Refer note 45)	(180)	-
<b>Closing balance</b>	<b>24</b>	<b>203</b>

The above plan assets have been invested in the qualified insurance policies.

The actual return on plan assets was ₹ 2 Crore for the year ended 31 March 2026 and ₹ 2 Crore for the year ended 31 March 2025.



**Vedanta Limited****Notes forming part of the financial statements as at and for the year ended 31 March 2026**

The weighted average duration of the defined benefit obligation is 24.12 years and 15.33 years as at 31 March 2026 and 31 March 2025 respectively.

The Company expects to contribute ₹ 3.46 Crore to the funded defined benefit plans in during the year ended 31 March 2027.

**Sensitivity analysis**

Below is the sensitivity analysis relating to continuing operations, determined for significant actuarial assumptions for the determination of defined benefit obligations and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting year while holding all other assumptions constant.

Increase/ (Decrease) in defined benefit obligation	(₹ in Crore)	
	Year ended 31 March 2026	Year ended 31 March 2025
<b>Discount rate</b>		
Increase by 0.50%	(1)	(16)
Decrease by 0.50%	1	17
<b>Expected rate of increase in compensation level of covered employees</b>		
Increase by 0.50%	1	17
Decrease by 0.50%	(1)	(16)

The above sensitivity analysis may not be representative of the actual benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the projected unit credit method at the end of reporting year, which is the same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet.

**Maturity analysis of defined benefit obligation**

Particulars	(₹ in Crore)	
	Year ended 31 March 2026	Year ended 31 March 2025
Less than 1 year	2	17
1-2 years	2	16
2-5 years	5	52
More than 5 years	19	219
	<b>28</b>	<b>304</b>

**Risk analysis**

The Company is exposed to a number of risks in the defined benefit plans. Most significant risks pertaining to defined benefit plans and management's estimation of the impact of these risks are as follows:

**Investment risk**

The Gratuity plan is funded with the LIC and ICICI Pru. The Company does not have any liberty to manage the fund provided to LIC and ICICI Pru.

The present value of the defined benefit plan obligation is calculated using a discount rate determined by reference to Government of India bonds. If the return on plan asset is below this rate, it will create a plan deficit.

**Interest risk**

A decrease in the interest rate on plan assets will increase the net plan obligation.

**Longevity risk / Life expectancy**

The present value of the defined benefit plan obligation is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan obligation.



**Vedanta Limited****Notes forming part of the financial statements as at and for the year ended 31 March 2026****Salary growth risk**

The present value of the defined benefit plan obligation is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan obligation.

**Code on Social Security, 2020**

On 21 November 2025, the Government of India notified four Labour Codes—Code on Wages, 2019; Industrial Relations Code, 2020; Code on Social Security, 2020; and Occupational Safety, Health and Working Conditions Code, 2020—consolidating 29 existing labour laws. The Ministry of Labour & Employment has published draft Central Rules and FAQs to facilitate assessment of financial impact due to changes in regulations. The Company has assessed and accounted for the incremental impact of these changes with the best information available, and guidance from the Institute of Chartered Accountants of India, considering the impact is non-recurring in nature and is driven by regulatory changes, the incremental impact of ₹80 crore (of which ₹ 77 crore relates to discontinued operations, refer note 45) has been disclosed as "Statutory impact of new Labour Codes" under Exceptional Items in the financial statements for the year ended 31 March 2026. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect as and when such clarifications are issued/ rules are notified.

**26 Employee benefits expense <sup>a</sup>**

(₹ in Crore)

Particulars	Year ended	Year ended
	31 March 2026	31 March 2025
Salaries and Wages	119	121
Share based payments (Refer note 27)	(3)	-
Contributions to provident and other funds (Refer Note 25)	10	8
Staff welfare expenses	14	12
<b>Total</b>	<b>140</b>	<b>141</b>

a. Net of recoveries of ₹ 29 Crore (31 March 2025: ₹ 25 Crore) from subsidiaries.



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**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

**27 Share based payments**

The Company offers equity based and cash based option plans to its employees, officers and directors through the Company's stock option plan introduced in 2016.

**The Vedanta Limited Employee Stock Option Scheme (ESOS) 2016**

The Company introduced an Employee Stock Option Scheme 2016 ("ESOS"), which was approved by the Vedanta Limited shareholders to provide equity settled incentive to all employees of the Company including subsidiary companies. The ESOS scheme includes tenure based, business performance based (EBITDA) and market performance based stock options. The maximum value of options that can be awarded to members of the wider management group is calculated by reference to the grade average cost-to-company ("CTC") and individual grade of the employee. The ESOS schemes are administered through VESOS trust and have underlying Vedanta Limited equity shares.

Options granted during the year ended 31 March 2026 and year ended 31 March 2025 includes business performance based, sustained individual performance based, management discretion and fatality multiplier based stock options. Business performances will be measured using Volume, Cost, Net Sales Realisation, EBITDA, Free Cash Flows, ESG & Carbon footprint or a combination of these for the respective business/ SBU entities.

The exercise price of the options is ₹ 1 per share and the performance period is three years, with no re-testing being allowed.

The details of share options for the year ended 31 March 2026 is presented below:

Financial Year of Grant	Exercise Period	Options outstanding 01 April 2025	Options granted during the year	Options transferred (to)/ from Parent/ fellow subsidiaries	Options forfeited/lapsed during the year	Options exercised during the year	Options outstanding 31 March 2026	Options exercisable 31 March 2026
2021-22	01 November 2024 - 30 April 2025	2,61,810	-	-	76,748	1,85,062	-	-
2022-23	01 November 2025 - 30 April 2026	98,19,384	-	-	53,36,796	42,37,597	2,44,991	-
2023-24	04 November 2026 - 04 May 2027	1,43,48,860	-	-	24,24,234	-	1,19,24,626	-
2023-24	Cash Settled	82,340	-	-	82,340	-	-	-
2024-25	05 November 2027 - 04 May 2028	88,84,953	-	-	13,43,496	-	75,41,457	-
2024-25	Cash Settled	3,27,565	-	-	3,27,565	-	-	-
2025-26	01 November 2028 - 30 April 2029	-	96,20,726	-	13,533	-	96,07,193	-
2025-26	Cash Settled	-	1,00,601	-	9,671	-	90,930	-
		<b>3,37,24,912</b>	<b>97,21,327</b>	<b>-</b>	<b>96,14,383</b>	<b>44,22,659</b>	<b>2,94,09,197</b>	<b>-</b>



**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

The details of share options for the year ended 31 March 2025 is presented below:

Financia Year of Grant	Exercise Period	Options outstanding 01 April 2024	Options granted during the year	Options transferred (to)/ from Parent/ fellow subsidiaries	Options forfeited/lapse d during the year	Options exercised during the year	Options outstanding 31 March 2025	Options exercisable 31 March 2025
2018-19	01 November 2021 - 30 April 2022	40,356	-	-	40,356	-	-	-
2020-21	06 November 2023 - 05 May 2024	15,17,772	-	-	16,148	15,01,624	-	-
2021-22	01 November 2024 - 30 April 2025	82,25,376	-	-	48,52,787	31,10,779	2,61,810	-
2022-23	01 November 2025 - 30 April 2026	1,16,66,684	-	-	18,47,300	-	98,19,384	-
2023-24	04 November 2026 - 04 May 2027	1,71,77,541	-	-	28,28,681	-	1,43,48,860	-
2023-24	Cash Settled	11,90,420	-	-	11,08,080	-	82,340	-
2024-25	05 November 2027 - 04 May 2028		89,26,163		41,210		88,84,953	-
2024-25	Cash Settled		3,40,620		13,055		3,27,565	-
		<b>3,98,18,149</b>	<b>92,66,783</b>	<b>-</b>	<b>1,07,47,617</b>	<b>46,12,403</b>	<b>3,37,24,912</b>	<b>-</b>

The fair value of all options has been determined at the date of grant of the option allowing for the effect of any market-based performance conditions. This fair value, adjusted by the Group's estimate of the number of options that will eventually vest as a result of non-market conditions, is expensed over the vesting period.

**Business Performance-Based and Sustained Individual Performance-Based Options:**

The fair values of stock options following these types of vesting conditions have been estimating using the Black-Scholes Merton Option Pricing model. The value arrived at under this model has been then multiplied by the expected % vesting based on business performance conditions (only for business performance-based options) and the expected multiplier on account of sustained individual performance (for both type of options). The inputs used in the Black-Scholes-Merton Option Pricing model include the share price considered as of the valuation date, exercise price as per the scheme/ plan of the options, expected dividend yield (estimated based on actual/ expected dividend trend of the company), expected tenure (estimated as the remaining vesting period of the options), the risk-free rate (considered as the zero coupon yield as of the valuation date for a term commensurate with the expected tenure of the options) and expected volatility (estimated based on the historical volatility of the return in company's share prices for a term commensurate with the expected tenure of the options). The exercise period of 6 months post vesting period has not been considered as the options are expected to be exercised immediately post the completion of the vesting period.



**Vedanta Limited****Notes forming part of the financial statements as at and for the year ended 31 March 2026**

The assumptions used in the calculations of the charge in respect of the ESOS options granted during the years ended 31 March 2026 and 31 March 2025 are set out below:

Particulars	Year ended 31 March 2026 ESOS 2025	Year ended 31 March 2025 ESOS 2024
Number of Options	Cash settled - 10,30,297 Equity settled - 96,20,727	Cash settled - 1,26,210 Equity settled - 89,26,163
Exercise Price	₹ 1	₹ 1
Share Price at the date of grant	₹ 493.55	₹ 469.80
Contractual Life	3 years	3 years
Expected Volatility	32.03%	38.65%
Expected option life	3 years	3 years
Expected dividends	19.10%	19.69%
Risk free interest rate	5.76%	6.61%
Expected annual forfeitures	10% p.a	10% p.a
Fair value per option granted (Non-market performance based)	203.90	190.66

Weighted average share price at the date of exercise of stock options was ₹ 600 (31 March 2025: ₹ 452.48)

The weighted average remaining contractual life for the share options outstanding was 1.52 years (31 March 2025: 1.58 years).

The Company recognised total expenses of ₹ 56 Crore (31 March 2025: ₹ 60 Crore) related to equity settled share based payment transactions for the year ended 31 March 2026 out of which ₹ 29 Crore (31 March 2025: ₹ 33 Crore) was recovered from group companies. The total (reversal)/charge recognised on account of cash settled share based plan during the year ended 31 March 2026 is ₹ 0.61 Crore (31 March 2025: ₹ (0.59) Crore) and the carrying value of cash settled share based compensation liability as at 31 March 2026 is ₹ 1.48 Crore (31 March 2025: ₹ 0.87 Crore).

Out of the total expense of ₹ 26 Crore (31 March 2025: ₹ 27 Crore) pertaining to above options for the year ended 31 March 2026, the Company has capitalised ₹ 0.57 Crore (31 March 2025: ₹ 1 Crore) expense for the year ended 31 March 2026.

Pursuant to the demerger, at the time of vesting, eligible employees would receive shares of all the Resulting Companies in such proportion as would reflect the equivalent of one share of pre-demerger Vedanta Limited. Consequently, there is no impact on ESOP expense/ liability due to demerger.



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**Vedanta Limited**  
Notes forming part of the financial statements as at and for the year ended 31 March 2026

		(₹ in Crore)	
<b>28 Revenue from operations</b>		<b>Year ended</b>	<b>Year ended</b>
<b>Particulars</b>		<b>31 March 2026</b>	<b>31 March 2025</b>
Sale of products		22,984	16,743
Sale of services		15	17
<b>Total</b>		<b>22,999</b>	<b>16,760</b>
<p>a) Revenue from sale of products and from sale of services for the year ended 31 March 2026 includes revenue from contracts with customers of ₹ 22,929 Crore (31 March 2025: ₹ 16,715 Crore) and a net gain on mark-to-market of ₹ 70 Crore (31 March 2025: ₹ 45 Crore) on account of gains relating to sales that were provisionally priced as at the beginning of the year with the final price settled in the current year, gains/ losses relating to sales fully priced during the year, and marked to market gains/ losses relating to sales that were provisionally priced as at the end of the year.</p>			
<p>b) Majority of the Company's sales are against advance or are against letters of credit/ cash against documents/ guarantees of banks of national standing. Where sales are made on credit, the amount of consideration does not contain any significant financing component as payment terms are within three months. As per the terms of the contract with its customers, either all performance obligations are to be completed within one year from the date of such contracts or the Company has a right to receive consideration from its customers for all completed performance obligations. Accordingly, the Company has availed the practical expedient available under paragraph 121 of Ind AS 115 and dispensed with the additional disclosures with respect to performance obligations that remained unsatisfied (or partially unsatisfied) at the balance sheet date. Further, since the terms of the contracts directly identify the transaction price for each of the completed performance obligations there are no elements of transaction price which have not been included in the revenue recognised in the financial statements. Further, there is no material difference between the contract price and the revenue from contract with customers.</p>			
<b>29 Other operating income</b>		(₹ in Crore)	
<b>Particulars</b>		<b>Year ended</b>	<b>Year ended</b>
		<b>31 March 2026</b>	<b>31 March 2025</b>
Export incentives		13	0
Scrap sales		18	4
Miscellaneous income (Refer Note 39(M))		1,222	701
<b>Total</b>		<b>1,253</b>	<b>705</b>
<b>30 Other income</b>		(₹ in Crore)	
<b>Particulars</b>		<b>Year ended</b>	<b>Year ended</b>
		<b>31 March 2026</b>	<b>31 March 2025</b>
Net gain on investments measured at FVTPL		86	116
Interest income from financial assets at amortised cost			
- Bank deposits		115	209
- Loans		282	200
- Others		45	67
Interest on income tax refund		6	299
Dividend income from			
- financial assets at FVOCI		-	-
- investment in subsidiaries		2,680	7,834
Profit on sale of assets		-	-
Net gain on foreign currency transactions and translations		-	-
Deferred government grant income		1	1
Miscellaneous income		4	-
<b>Total</b>		<b>3,219</b>	<b>8,726</b>
<b>31 Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>		(₹ in Crore)	
<b>Particulars</b>		<b>Year ended</b>	<b>Year ended</b>
		<b>31 March 2026</b>	<b>31 March 2025</b>
<b>Opening Stock:</b>			
Finished Goods		481	298
Work in progress		3,267	2,186
<b>Total</b>		<b>3,748</b>	<b>2,484</b>
Add: Foreign exchange translation		14	3
Less: Impairment of inventory		-	-
Less: Changes in inventory of discontinued operations		-	-
Less: Raw material sold during the year		(1)	-
<b>Less: Closing Stock</b>			
Finished Goods		794	481
Work in progress		3,737	3,267
<b>Total**</b>		<b>4,531</b>	<b>3,748</b>
<b>Changes in inventory related to continuing operations and discontinued operations</b>		<b>(770)</b>	<b>(1,261)</b>
<b>Changes in inventory related to continuing operations</b>		<b>24</b>	<b>(742)</b>
<b>Changes in inventory related to discontinued operations</b>		<b>(794)</b>	<b>(519)</b>

\*\* The amounts disclosed here include both Continuing Operations and Discontinued Operations.



**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

(₹ in Crore)		
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Interest expense on financial liabilities at amortised cost <sup>a,c</sup>	1,436	1,704
Other finance costs	79	257
Net interest on defined benefit arrangement	-	-
<b>Total</b>	<b>1,515</b>	<b>1,961</b>

- a) Includes interest expense on lease liabilities for the year ended 31 March 2026 is ₹ 1 Crore (31 March 2025: ₹ 1 Crore).  
b) Interest rate of 8.52% (31 March 2025: 10.40%) was used to determine the amount of general borrowing costs eligible for capitalization in respect of qualifying asset for the year ended 31 March 2026.  
c) Interest expense on income taxes is ₹ 44 Crore (31 March 2025: ₹ 56 Crore).

(₹ in Crore)		
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Consumption of stores and spare parts	61	50
Repairs to plant and equipment	29	28
Carriage	86	61
Net loss on foreign currency transactions and translations	88	-
Repairs to building	0	0
Insurance	5	6
Repairs others	4	1
Loss on sale/ discard of property, plant and equipment (net)	(5)	-
Rent <sup>d</sup>	12	11
Rates and taxes	7	9
Directors sitting fees and commission	1	1
Remuneration to auditors <sup>a</sup>	8	8
Allowance of impairment on financial and non-financial assets/ bad debts written off**	20	5
Donation <sup>b</sup>	1	87
Miscellaneous expenses <sup>c</sup>	1,889	1,299
<b>Total</b>	<b>2,206</b>	<b>1,566</b>

\* Net of recoveries of ₹ 46 Crore (31 March 2025: ₹ 32 Crore) from subsidiaries.

\*\* Includes bad debts written off of ₹ 0 Crore against the provision for expected credit loss for the year ended 31 March 2026.

(₹ in Crore)		
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Payment to auditors		
For statutory audit (including quarterly reviews)	6	6
For overseas reporting	1	1
For certification and other attest services	-	-
For other services	1	1
For reimbursement of expenses	-	-
<b>Total</b>	<b>8</b>	<b>8</b>

- (a) Remuneration to auditors comprises:  
(b) Includes contributions to Bhartiya Janta Party of ₹ 0 Crore (31 March 2025: ₹ 67 Crore) and Jharkhand Mukti Morcha of 0 Crore (31 March 2025: ₹ 20 Crore).  
(c) Includes Corporate social responsibility expenses of ₹ 106 Crore (31 March 2025: ₹ 154 Crore) as detailed in note 41(a) and Management and Brand Fees (net) of ₹ 1,664 Crore (31 March 2025: ₹ 1,060 Crore).  
(d) Rent represents expense on short term/ low value leases.



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Particulars	Year ended 31 March 2026			Year ended 31 March 2025		
	Exceptional Items	Tax effect of exceptional items	Exceptional items after tax	Exceptional Items	Tax effect of exceptional items	Exceptional items after tax
<b>Continuing Operations:</b>						
Profit on stake sale of subsidiary (Refer note 3(d)(ii))	4,442	-	4,442	2,106	-	2,106
Statutory impact of new Labour Codes <sup>c</sup>	(3)	1	(2)	-	-	-
<b>Exceptional gain from continuing operations (A)</b>	<b>4,439</b>	<b>1</b>	<b>4,440</b>	<b>2,106</b>	<b>-</b>	<b>2,106</b>
<b>Discontinued Operations:</b>						
Statutory impact of new Labour Codes <sup>c</sup>	(77)	20	(57)	-	-	-
Property, plant and equipment ("PPE"), exploration intangible assets under development, capital work-in-progress ("CWIP"), investments and other assets (impaired)/ reversal or (written off)/ written back in:						
- Aluminium <sup>a</sup>	(349)	88	(261)	-	-	-
- Iron ore <sup>b &amp; e</sup>	(853)	17	(836)	(217)	55	(162)
- Oil and Gas <sup>d</sup>	-	-	-	1,113	(229)	884
Transport cess in Iron ore segment <sup>f</sup>	-	-	-	(97)	25	(72)
<b>Exceptional gain from discontinued operations (B)</b>	<b>(1,279)</b>	<b>125</b>	<b>(1,154)</b>	<b>799</b>	<b>(149)</b>	<b>650</b>
<b>Exceptional gain (A+B)</b>	<b>3,160</b>	<b>126</b>	<b>3,286</b>	<b>2,905</b>	<b>(149)</b>	<b>2,756</b>

- a. Represents certain items of CWIP, which have been written off during the year ended 31 March 2026 as they are no longer expected to be used.
- b. During the year ended 31 March 2026, the Company has recognized a provision for impairment in respect of investment and advances given to Bloom Fountain Limited (Western Cluster, Liberia) for ₹ 853 Crore. The impairment is a result of continued uncertainty in the viability of the underlying project due to geo-political factors including high stripping ratios, lower ore grades, logistical constraints.
- c. On 21 November 2025, the Government of India notified four Labour Codes—Code on Wages, 2019; Industrial Relations Code, 2020; Code on Social Security, 2020; and Occupational Safety, Health and Working Conditions Code, 2020—consolidating 29 existing labour laws. The Ministry of Labour & Employment has published draft Central Rules and FAQs to facilitate assessment of financial impact due to changes in regulations. The Company has assessed and accounted for the incremental impact of these changes with the best information available, and guidance from the Institute of Chartered Accountants of India, considering the impact is non-recurring in nature and is driven by regulatory changes, the incremental impact of ₹80 crore has been disclosed as "Statutory impact of new Labour Codes" under Exceptional Items in the financial statements for the year ended 31 March 2026.
- d. During the previous year ended 31 March 2025, the Oil & Gas segment of the Company 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 Company 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 Company is planning for the development of remaining clusters. Accordingly, the recoverable amount of the Company's share in Rajasthan Oil and Gas cash generating unit ("RJ CGU") is determined to be ₹ 6,594 Crore (US\$ 787 million) as at 30 September 2024, resulting in an impairment reversal of ₹ 913 Crore (US\$ 109 million) on its assets in the oil and gas producing facilities and ₹ 200 Crore on its investment in its wholly subsidiary, Cairn India Holdings Limited ("CIHL"). 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 risked resources. 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 indicated by various initiatives through award of new blocks, etc. The 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% 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 ₹ 17 Crore (US\$ 2 million) and ₹ 685 Crore (US\$ 82 million) respectively. The sensitivities around change in crude price and discount rate are not material to the financial statements.
- e. Based on operational performance of coking coal division of MALCO Energy Limited ("MEL"), a wholly owned subsidiary of the Company, the management reassessed the recoverability of loans given to and other receivables from MEL. Consequently, a provision of ₹ 217 Crore had been recorded in the previous year ended 31 March 2025.
- f. 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 installments commencing from 01 April 2026. The Company 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 Company's appeal is currently pending before the Supreme Court. As per management's assessment of the Supreme Court Order, the Company had recorded a provision of ₹ 97 Crore in the previous year ended 31 March 2025.



**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

**35 Tax expense**

(₹ in Crore)		
(a) Tax charge/ (benefit) recognised in statement of profit or loss (including on exceptional items)	Year ended 31 March 2026	Year ended 31 March 2025
<b>Current tax:</b>		
Current tax benefit for the year	(273)	(327)
Current tax benefit - exceptional items (Refer Note 34)	-	-
Benefit in respect of current tax for earlier years	(37)	(15)
<b>Total Current Tax (a)</b>	<b>(310)</b>	<b>(342)</b>
<b>Deferred tax:</b>		
Expense of temporary differences	3	36
Benefit in respect of exceptional items (Refer Note 34)	(1)	-
Expense in respect of deferred tax for earlier years	34	15
<b>Total Deferred Tax (b)</b>	<b>36</b>	<b>51</b>
<b>Net tax benefit (a+b)</b>	<b>(274)</b>	<b>(291)</b>
<b>Profit before tax from continuing operations</b>	<b>5,954</b>	<b>8,610</b>
<b>Effective income tax rate (%)</b>	<b>(5%)</b>	<b>(3%)</b>

(₹ in Crore)		
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Tax benefit on exceptional items	(1)	-
Tax benefit - others	(273)	(291)
<b>Net tax charge</b>	<b>(274)</b>	<b>(291)</b>

Summary Tax expense/ (benefit) recognised in the statement of profit and loss (including on exceptional items) of discontinued operations:

(₹ in Crore)		
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
Total Current Tax expense (a)	2,992	1,219
Total Deferred Tax expense (b)	731	1,153
<b>Net tax expense for the year (a+b)</b>	<b>3,723</b>	<b>2,372</b>
Profit before tax from discontinued operations	15,221	11,399
<b>Effective income tax rate (%)</b>	<b>24%</b>	<b>21%</b>

(b) A reconciliation of income tax expense/ (benefit) applicable to profit before tax at the Indian statutory income tax rate to recognised income tax expense/ (benefit) for the year indicated are as follows:

(₹ in Crore)		
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
<b>Profit before tax from continuing operations</b>	5,954	8,610
Indian statutory income tax rate	25.17%	25.17%
<b>Tax at statutory income tax rate</b>	1,498	2,167
Deduction u/s 80M of the Income-tax Act, 1961	(675)	(1,972)
Tax Rate Differences (Capital Gains taxable at lower rate)	(483)	(229)
Unrecognised tax assets	(635)	(301)
Other permanent differences	21	44
<b>Total</b>	<b>(274)</b>	<b>(291)</b>

(₹ in Crore)		
Particulars	Year ended 31 March 2026	Year ended 31 March 2025
<b>Profit before tax from discontinued operations</b>	15,221	11,399
Indian statutory income tax rate	25.17%	25.17%
<b>Tax at statutory income tax rate</b>	3,831	2,869
Deduction u/s 80M of the Income-tax Act, 1961	(479)	(531)
Unrecognised tax assets	197	(47)
Other permanent differences	174	81
<b>Total</b>	<b>3,723</b>	<b>2,372</b>



(c) Deferred tax assets/ liabilities

The Company has accrued significant amounts of deferred tax. The majority of the deferred tax liability represents accelerated tax relief for the depreciation of property, plant and equipment. Significant components of deferred tax (assets) and liabilities recognised in the balance sheet are as follows :

For the year ended 31 March 2026 (₹ in Crore)

Significant components of Deferred tax (assets) and liabilities	Opening balance as at 01 April 2025	Charged/ (credited) to statement of profit and loss - Continuing Operations	Charged / (credited) to profit and loss - Discontinued Operations (Refer note 45)	Charged/ (credited) to OCI - Continuing Operations	Charged/ (credited) to OCI - Discontinued Operations (Refer note 45) #	Exchange difference and other adjustments - Discontinued Operations (Refer note 45)	Charged/ (credited) to Other equity	Transferred to discontinued operations (Refer note 45)	Closing balance as at 31 March 2026
Property, Plant and Equipment	2,670	11	735	-	-	73	-	(4,034)	(545)
Voluntary retirement scheme	1	-	(1)	-	-	-	-	1	1
Employee benefits	(6)	(1)	(8)	(8)	(4)	(10)	-	39	2
Fair valuation of derivative asset/liability	-	-	-	(5)	(873)	-	-	873	(5)
Fair valuation of other asset/ liability	(26)	-	-	-	-	1	-	11	(14)
Other temporary differences	529	26	5	-	-	(3)	-	(136)	421
<b>Total</b>	<b>3,168</b>	<b>36</b>	<b>731</b>	<b>(13)</b>	<b>(877)</b>	<b>61</b>	<b>-</b>	<b>(3,246)</b>	<b>(140)</b>

# Out of the total tax benefit on OCI items in the statement of profit and loss, the deferred tax benefit is presented in the table above. The remaining tax benefit, amounting to ₹63 crore, relates to current tax.

For the year ended 31 March 2025 (₹ in Crore)

Significant components of Deferred tax (assets) and liabilities *	Opening balance as at 01 April 2024	Charged/ (credited) to statement of profit and loss	Charged/ (credited) to OCI#	Exchange difference and other adjustments	Charged/ (credited) to other equity	Closing balance as at 31 March 2025
Property, Plant and Equipment	2,405	217	-	48	-	2,670
Voluntary retirement scheme	1	-	-	-	-	1
Employee benefits	(7)	5	-	(4)	-	(6)
Fair valuation of derivative asset/liability	(62)	-	62	-	-	-
Fair valuation of other asset/liability	(26)	-	-	-	-	(26)
Other temporary differences	(422)	982	(3)	(28)	-	529
<b>Total</b>	<b>1,889</b>	<b>1,204</b>	<b>59</b>	<b>16</b>	<b>-</b>	<b>3,168</b>

# Out of the total tax benefit on OCI items in the statement of profit and loss, the deferred tax benefit is presented in the table above. The remaining tax benefit, amounting to ₹15 crore, relates to current tax.

\* Amounts in this table includes balances of discontinued operations.

(d) Non- current tax assets

Non- current tax assets of ₹ 1,005 Crore (31 March 2025: ₹ 1,245 Crore) mainly represents income tax receivable from Indian tax authorities by the Company consequent to the Scheme of Amalgamation & Arrangement made effective in August 2013 pursuant to approval by the jurisdiction High Court and receivables relating to matters in tax disputes including tax holiday claim.



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**Vedanta Limited**

Notes forming part of the financial statements as at and for the year ended 31 March 2026

<b>36 Earnings per equity share (EPS)</b>		<b>(₹ in Crore, except otherwise stated)</b>	
<b>Particulars</b>	<b>Year ended 31 March 2026</b>	<b>Year ended 31 March 2025</b>	
<b>a) For continuing operations</b>			
Profit after tax attributable to equity share holders for Basic and Diluted EPS	6,227	8,901	
Weighted average no. of equity shares outstanding during the year for Basic and Dilutive EPS (in Crore)	391	385	
Basic and Diluted Earnings per share (in ₹)	15.93	23.10	
Nominal value per share (in ₹)	1.00	1.00	
<b>b) For discontinued operations</b>			
Profit after tax attributable to equity share holders for Basic and Diluted EPS	11,498	9,027	
Weighted average no. of equity shares outstanding during the year for Basic and Dilutive EPS (in Crore)	391	385	
Basic and Diluted Earnings per share (in ₹)	29.41	23.43	
Nominal value per share (in ₹)	1.00	1.00	
<b>c) For continuing and discontinued operations</b>			
Profit after tax attributable to equity share holders for Basic and Diluted EPS	17,726	17,928	
Weighted average no. of equity shares outstanding during the year for Basic and Dilutive EPS (in Crore)	391	385	
Basic and Diluted Earnings per share (in ₹)	45.34	46.53	
Nominal value per share (in ₹)	1.00	1.00	
<b>37 Dividends</b>		<b>(₹ in Crore)</b>	
<b>Particulars</b>	<b>Year ended 31 March 2026</b>	<b>Year ended 31 March 2025</b>	
<b>Amounts recognised as distributions to equity shareholders:</b>			
Interim dividends: ₹ 34.00/- per share (31 March 2025: ₹ 43.50/- per share)	13,279	16,772	
<b>Total</b>	<b>13,279</b>	<b>16,772</b>	



**Vedanta Limited****Notes forming part of the financial statements as at and for the year ended 31 March 2026****38 Commitments, contingencies and guarantees****A) Commitments**

The Company has a number of continuing operational and financial commitments in the normal course of business including:

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

The amounts disclosed in this note include both Continuing Operations and Discontinued Operations

Estimated amount of contracts remaining to be executed on capital accounts and not provided for:

Particulars	(₹ in Crore)	
	As at 31 March 2026	As at 31 March 2025
<b>Oil and Gas sector</b>		
Cairn	448	728
Others	-	-
<b>Aluminium sector</b>		
Lanjigarh Refinery (Phase II)	579	882
Jharsuguda 1.25 MTPA smelter	36	187
Coal & Bauxite Mines	1,552	1,683
Others	1,421	416
<b>Power sector</b>		
Athena 1200 MW Thermal Power Plant	499	1,439
Others	-	-
<b>Iron Ore sector</b>		
Others	305	502
<b>Others</b>	30	34
<b>Total</b>	<b>4,870</b>	<b>5,871</b>

Note : 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. Refer Note 3(c)(A)(ii)

**Committed work programme (Other than capital commitment)**

Particulars	(₹ in Crore)	
	As at 31 March 2026	As at 31 March 2025
<b>Oil and Gas sector</b>		
Cairn (OALP - New Oil and Gas blocks)*	16,457	10,162

\*The capital commitment for OALP blocks relates to the minimum work program ('MWP') as per the revenue sharing contract of each block under the OALP scheme. The estimated capital commitment for the MWP has been revised based on the current executed contract rates with vendors.

**Other Commitments**

(i) The Power division of the Company has signed a long term power purchase agreement (PPA) with GRIDCO Limited for supply of 25% of power generated from the power station with additional right to purchase power (5%/7%) at variable cost as per the conditions referred to in PPA. The PPA has a tenure of twenty five years, expiring in FY 2037.



## Vedanta Limited

### Notes forming part of the financial statements as at and for the year ended 31 March 2026

The Company received favourable order from 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 Company to supply power to GRIDCO from 19 February 2022 onwards. Thereafter, the Company 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 Company to operate Unit 2 as an IPP. Against the final order passed by the OERC, the Company has preferred an appeal before Appellate Tribunal for Electricity on 03 May 2023. The matter is currently listed for hearing. This commitment pertains to Discontinued Operations.

(ii) The Company had executed new Power Delivery Agreements ("PDA") with Serentica group companies (Serentica Renewables India 3 Private Limited, Serentica Renewables India 6 Private Limited and Serentica Renewables India 9 Private Limited), which are associates of Vedanta Incorporation, 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 871 MW (31 March 2025: 871 MW). During the current year, the Company has invested ₹ 121 Crore of which ₹ 117 Crore relates to discontinued operations Crore (31 March 2025: ₹ 189 Crore) in Optionally Convertible Redeemable Preference shares ("OCRPS") of ₹ 10 each, of Serentica group companies. These OCRPS will be converted into equity basis conversion terms of the PDA, resulting in the Company holding twenty six percent stake in its equity. As at 31 March 2026, total outstanding commitments related to PDA with Serentica group companies are ₹ 194 Crore of which ₹ 188 Crore relates to discontinued operations (31 March 2025: ₹ 315 Crore).

#### B) Guarantees

The aggregate amount of indemnities and other guarantees on which the Company does not expect any material losses is ₹ 26,153 Crore, of which ₹ 9,814 Crore relates to discontinued operations (31 March 2025: ₹ 24,954 Crore). The Company has given guarantees in the normal course of business as stated below:

- Guarantees and bonds advanced to the customs authorities in India of ₹ 995 Crore relating to the export and payment of import duties on purchases of raw material and capital goods of which ₹ 980 Crore relates to discontinued operations (31 March 2025: ₹ 1,595 Crore).
- Guarantees issued for the Company's share of minimum work programme commitments of ₹ 4,512 Crore which relates to discontinued operations (31 March 2025: ₹ 3,833 Crore).
- Guarantees of ₹ 221 Crore (31 March 2025: ₹ 71 Crore) issued under bid bond.
- Bank guarantees of ₹ 115 Crore (31 March 2025: ₹ 115 Crore) has been provided by the Company on behalf of Vedanta Inc to Income tax department, India as a collateral in respect of certain tax disputes. The Company has secured this guarantee by equivalent amount of fixed deposits.
- The Company has given corporate guarantees, bank guarantees and also assigned its bank limits to other group companies primarily in respect of certain short-term and long-term borrowings amounting to ₹ 15,253 Crore (31 March 2025: ₹ 14,900 Crore) (Refer Note 39).
- Other guarantees worth ₹ 5,057 Crore of which ₹ 4,322 Crore relates to discontinued operations (31 March 2025: ₹ 4,440 Crore) 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 Company does not anticipate any liability on these guarantees.

#### C) Export Obligations

The Company has export obligations of ₹ 192 Crore, of which ₹ 100 Crore relates to discontinued operations (31 March 2025: ₹ 2,247 Crore) 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 Company's inability to meet its obligations, the Company's liability would be ₹ 39 Crore of which ₹ 17 Crore relates to discontinued operations (31 March 2025: ₹ 604 Crore) reduced in proportion to actual exports, plus applicable interest.

The Company has given bonds of ₹ 263 Crore which relates to discontinued operations (31 March 2025: ₹ 655 Crore) to custom authorities against these export obligations.



## Vedanta Limited

### Notes forming part of the financial statements as at and for the year ended 31 March 2026

#### D) Contingent Liabilities

The Company discloses the following legal and tax cases as contingent liabilities:

##### a) Proceedings related to the imposition of entry tax

The Company 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 Hon'ble Supreme Court referred the matters to a nine judge bench. Post 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 Hon'ble Supreme Court heard the matters and 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 Hon'ble Supreme Court. Following the order of the Hon'ble Supreme Court, the Company filed writ petitions in respective High Courts.

On 09 October 2017, the Hon'ble Supreme Court held that states have the jurisdiction to levy entry tax on imported goods. With this Hon'ble Supreme Court judgement, imported goods will rank pari-passu with domestic goods for the purpose of levy of Entry tax. The Company has amended its appeal (writ petitions) in Odisha 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 Company 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 the Company (net of provisions made) are ₹ 436 Crore (31 March 2025: ₹ 654 Crore) including interest and penalty till the date of order. Further, interest and penalty if any, would be additional. This contingency pertains to Discontinued Operations.

##### b) Miscellaneous disputes- Income tax

The Company is involved in various tax disputes amounting to ₹ 263 Crore, of which ₹ 169 Crore relates to discontinued operations (31 March 2025: ₹ 263 Crore) relating to income tax for the periods for which initial assessments have been completed. These mainly relate to the disallowance of tax holiday for 100% Export Oriented Undertaking under section 10B of the Income Tax Act, 1961, on account of depreciation disallowances under the Income Tax Act and interest thereon which are pending at various appellate levels.

The Company believes that these disallowances are not tenable and accordingly no provision is considered necessary.

##### c) Miscellaneous disputes- Others

The Company is subject to various claims and exposures which arise in the ordinary course of conducting and financing its business from the excise, indirect tax authorities and others. These claims and exposures mostly relate to the assessable values of sales and purchases or to incomplete documentation supporting the Company's returns or other claims.

The approximate value of claims (excluding the items as set out separately above) against the Company totals to ₹ 2,555 Crore, of which ₹ 2,502 Crore relates to discontinued operations (31 March 2025: ₹ 2,527 Crore).

Based on evaluations of the matters and legal advice obtained, the Company believes that it has strong merits in its favor. Accordingly, no provision is considered at this stage.

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



## Vedanta Limited

### Notes forming part of the financial statements as at and for the year ended 31 March 2026

#### 39 RELATED PARTY DISCLOSURES

List of related parties and relationships

##### A) Entities controlling the Company (Holding Companies)

Vedanta Incorporated

Volcan Investments Cyprus Limited

##### Intermediate Holding Companies

Vedanta Resources Limited ("VRL")

Finsider International Company Limited <sup>(a)</sup>

Richter Holdings Limited <sup>(a)</sup>

Twin Star Holdings Limited <sup>(a)</sup>

Vedanta Resources Cyprus Limited <sup>(a)</sup>

Vedanta Resources Finance Limited <sup>(a)</sup>

Vedanta Resources Holdings Limited <sup>(a)</sup>

Welter Trading Limited <sup>(a)</sup>

Westalobe Limited <sup>(a)</sup>

Vedanta Holdings Mauritius II Limited <sup>(a)</sup>

Vedanta Holdings Mauritius Limited <sup>(a)</sup>

Vedanta Holdings Jersey Limited <sup>(a)</sup>

Vedanta Netherlands Investments BV <sup>(a)</sup>

Vedanta UK Investments Limited <sup>(a)</sup>

Hindustan Zinc Fertilisers Private Limited

Hindustan Zinc Limited

Incab Industries Limited <sup>(c)</sup>

Killoran Lisheen Mining Limited

Lisheen Milling Limited

Lisheen Mine Partnership <sup>(b)</sup>

Malco Energy Limited

Meenakshi Energy Limited

Monte Cello BV

Namzinc (Proprietary) Limited

Sesa Mining Corporation Limited

Sesa Resources Limited

Sesa Iron and Steel Limited <sup>(b)</sup>

Skorpion Mining Company (Proprietary) Limited

Skorpion Zinc (Proprietary) Limited

Talwandi Sabo Power Limited

Thalanga Copper Mines (Proprietary) Limited

THL Zinc Holding BV

THL Zinc Limited

THL Zinc Namibia Holdings (Proprietary) Limited

THL Zinc Ventures Limited

Vedanta Aluminium Metal Limited

Vedanta Base Metals Limited

Vedanta Copper International VCI Limited

Vedanta Displays Limited

Vedanta Iron and Steel Limited

Vedanta Semiconductors Private Limited

Vedanta Lisheen Holdings Limited

Vedanta Lisheen Mining Limited

Vedanta Finance IFSC Limited <sup>(d)</sup>

Vedanta Zinc Football & Sports Foundation

Vizag General Cargo Berth Private Limited

Western Cluster Limited

##### B) Fellow Subsidiaries (with whom transactions have taken place)

Sterlite Grid 16 Limited

Sterlite Convergence Limited

Sterlite Iron and Steel Company Limited ("SISCOL") <sup>(f)</sup>

Sterlite Electric Limited (Formerly known as Sterlite Power Transmission Limited)

Vedanta Resources Investments Limited ("VRIL")

Konkola Copper Mines Plc <sup>Q</sup>

V-Spark Deeptech Ventures Private Limited

##### C) Associates of ultimate controlling party (with whom transactions have taken place)

Serentica Renewables India 1 Private Limited

Serentica Renewables India 3 Private Limited

Serentica Renewables India 6 Private Limited

Serentica Renewables India 9 Private Limited

Sterlite Technologies Limited

STL Digital Limited

##### D) Associates and Joint ventures (With whom transaction have taken place)

Gaurav Overseas Private Limited

##### E) Subsidiaries

Amica Guesthouse (Proprietary) Limited

AvanStrate Inc, Japan

AvanStrate Korea Inc, Korea

AvanStrate Taiwan Inc, Taiwan

Bharat Aluminium Company Limited

Black Mountain Mining (Proprietary) Limited

Bloom Fountain Limited

Zinc India Foundation

Cairn Energy Hydrocarbons Limited

##### F) Post retirement benefit plans (with whom transaction have taken place)

Sesa Group Employees Provident Fund

Sesa Group Employees Gratuity Fund and Sesa Group

Executives Gratuity Fund

Sesa Group Executives Superannuation Scheme Fund

##### G) Others (with whom transactions have taken place)

**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

Radha Madhav Investments Private Limited<sup>(e)</sup>

Runaya Refining LLP

Runaya Eckart Powders Private Limited (Erstwhile Runaya

Aluminium Private Limited)



## Vedanta Limited

### Notes forming part of the financial statements as at and for the year ended 31 March 2026

Cairn India Holdings Limited  
Cairn Lanka (Private) Limited  
Desai Cement Company Private Limited  
ESL Steel Limited  
Ferro Alloys Corporation Limited  
Fujairah Gold FZC  
Hindmetal Exploration Services Private Limited  
Hindustan Zinc Alloys Private Limited

Sesa Community Development Foundation  
Tenon Facility Management India Private Limited  
Vedanta Foundation  
Vedanta Medical Research Foundation  
Vedanta Limited ESOS Trust

#### H) Key Management Personnel ("KMP")

Navin Agarwal, Executive Vice Chairman  
Arun Misra, Executive Director  
Ajay Goel, Group CFO  
Prerna Halwasiya, Company Secretary & Compliance Officer

- a. These entities are subsidiary companies of VRL and VRL through its certain subsidiaries holds 56.38% in the Company.
- b. Dissolved off during the current year ended 31 March 2026.
- c. Acquired during the current year ended 31 March 2026.
- d. Incorporated during the current year ended 31 March 2026.
- e. Ceased to be a related party during the previous year ended 31 March 2025, upon completion of Ms. Padmini Sekhsaria's term as Independent Director of the Company w.e.f. 04 February 2025.
- f. In January 2025, the Board of Directors have approved purchase of entire shareholding of SISCOL for a sum of ₹ 1 Lakh. The necessary agreements for implementing the above are under process.

#### Ultimate Controlling party

Vedanta Limited is a majority-owned and controlled subsidiary of Vedanta Resources Limited ("VRL"). Vedanta Incorporated ("Vedanta Inc") and its wholly owned subsidiary together hold 100 % of the share capital and 100 % of the voting rights of VRL. Vedanta Inc is 100 % beneficially owned and controlled by the Anil Agarwal Discretionary Trust ("Trust"). Vedanta Inc, Volcan Investments Cyprus Limited and other intermediate holding companies except VRL do not produce Group financial statements.

- I) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.



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**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

**J) For the year ended 31 March 2026**

**(₹ in Crore)**

Particulars	Entities controlling the company/ Fellow Subsidiaries	Associates	Subsidiaries	Others	Total
<b>Income :</b>					
(i) Revenue from operations	2,830	-	2,536	278	5,644
(ii) Other Income					
a) Interest and guarantee commission	36	-	389	1	426
b) Dividend income	1	-	4,583	-	4,584
c) Brand License and Strategic Service Fees <sup>M</sup>	-	-	1,203	-	1,203
d) Outsourcing service fees	5	-	-	-	5
e) Miscellaneous income	-	-	-	-	-
<b>Expenditure and other transactions :</b>					
(i) Purchase of goods/ services <sup>O</sup>	7	-	1,843	366	2,216
(ii) Stock options expenses/ (recovery)	-	-	(210)	-	(210)
(iii) Allocation of Corporate Expenses	-	-	75	-	75
(iv) Management and Brand Fees <sup>M</sup>	3,470	-	-	-	3,470
(v) Reimbursement for other expenses (net of recovery)	(7)	-	(90)	10	(87)
(vi) Corporate Social Responsibility expenditure/ Donation	-	-	-	64	64
(vii) Contribution to Post retirement employee benefit trust	-	-	-	13	13
(viii) (Purchase)/ Sale of fixed assets	-	-	2	(2)	-
(ix) Dividend paid					
-To Holding companies	7,496	-	-	-	7,496
-To key management personnel and their relatives	-	-	-	1	1
-To Non executive directors and their relatives	-	-	-	-	-
(x) Commission/ Sitting Fees					
-To Non executive directors	-	-	-	5	5
-To other key management personnel	-	-	-	-	-
-To relatives of key management personnel	-	-	-	-	-
(xi) Interest and guarantee commission expense <sup>P</sup>	103	-	234	-	337
(xii) Miscellaneous expenses	-	-	13	-	13
<b>Transactions during the year :</b>					
(i) Financial guarantees given	-	-	3,721	-	3,721
(ii) Financial guarantees relinquished	-	-	(3,968)	-	(3,968)
(iii) Loans given during the year	-	-	2,916	387	3,303
(iv) Loans repaid during the year <sup>K</sup>	-	-	(2,100)	(134)	(2,234)
(v) Investments made during the year (refer note 38)	-	-	2,007	121	2,128
(vi) Investments redeemed during the year (refer note 3d(ii))	-	-	(1,850)	-	(1,850)
(vii) Long term borrowings repaid during the year	-	-	(626)	-	(626)



**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

<b>Balances as at year end :</b>					
(i) Trade Receivables	138	-	494	29	661
(ii) Loans given <sup>N</sup>	-	-	3,498	368	3,866
(iii) Long term borrowings	-	-	1,872	-	1,872
(iv) Other receivables and advances (including brand fee prepaid) <sub>M, P</sub>	14	9	2,348	7	2,378
(v) Trade Payables	131	-	30	102	263
(vi) Other payables	48	-	43	42	133
(vii) Financial guarantee given	-	-	15,223	-	15,223
(viii) Banking Limits assigned/utilised to/for group companies <sup>L</sup>	115	-	30	-	145
(ix) Sitting fee, commission and consultancy fees payable					
-To Non executive directors	-	-	-	3	3
-To key management personnel	-	-	-	-	-
(ix) Dividend payable					
-To Holding companies					
-To key management personnel and their relatives	-	-	-	-	-
-To Non executive directors and their relatives	-	-	-	-	-

**Remuneration of key management personnel**

(₹ in Crore)

<b>Particulars</b>	<b>For the Year ended 31 March 2026</b>
Short-term employee benefits	22
Post employment benefits *	-
Share based payments	1
<b>Total</b>	<b>23</b>

All related party transactions executed by the Company are at arm's length and in ordinary course of business.

\* Does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.

Sales made to/purchases made from and other transactions with related parties are on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Company mutually negotiates and agrees prices, discount and payment terms with the related parties by benchmarking the same to transactions with non-related parties. Trade receivables and Trade payables outstanding balances are unsecured and require settlement in cash. No guarantee or other security has been received/ given against these receivables/ payables.



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**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

**K) For the year ended 31 March 2025**

(₹ in Crore)

Particulars	Entities controlling the company/ Fellow Subsidiaries	Associates	Subsidiaries	Others	Total
<b>Income :</b>					
(i) Revenue from operations	2,277	-	3,116	7	5,400
(ii) Other Income					
a) Interest and guarantee commission	40	-	373	-	413
b) Dividend income	-	-	9,944	-	9,944
c) Brand License and Strategic Service Fees <sup>M</sup>	-	-	686	-	686
d) Outsourcing service fees	6	-	-	-	6
e) Miscellaneous income	-	-	1	1	2
<b>Expenditure and other transactions :</b>					
(i) Purchase of goods/ services <sup>O</sup>	94	-	1,811	124	2,029
(ii) Stock options expenses/ (recovery)	-	-	(30)	-	(30)
(iii) Allocation of Corporate Expenses	-	-	58	-	58
(iv) Management and Brand Fees (net*) <sup>M</sup>	2,698	-	-	-	2,698
(v) Reimbursement for other expenses (net of recovery)	1	-	(60)	(4)	(63)
(vi) Corporate Social Responsibility expenditure/ Donation	-	-	-	77	77
(vii) Contribution to Post retirement employee benefit trust	-	-	-	10	10
(viii) (Purchase)/ Sale of fixed assets	-	-	173	-	173
(ix) Dividend paid					
-To Holding companies	9,698	-	-	-	9,698
-To key management personnel and their relatives	-	-	-	-	-
-To Non executive directors and their relatives	-	-	-	1	1
(x) Commission/ Sitting Fees					
-To Non executive directors	-	-	-	6	6
(xi) Interest and guarantee commission expense <sup>P</sup>	118	-	342	-	460
(xii) Miscellaneous expenses	-	-	18	-	18
<b>Transactions during the year :</b>					
(i) Financial guarantees given	-	-	8,854	-	8,854
(ii) Financial guarantees relinquished	-	-	(11,925)	-	(11,925)
(iii) Loans given during the year	-	-	2,422	43	2,465
(iv) Loans repaid during the year <sup>K</sup>	-	-	(1,336)	(83)	(1,419)
(v) Investments made during the year (refer note 38)	-	-	5,844	189	6,033
(vi) Investments redeemed during the year (refer note 3d(ii))	-	-	(1,028)	-	(1,028)
(vii) Long term borrowings taken during the year	-	-	2,500	-	2,500
(viii) Short term borrowings repaid during the year	-	-	(1,600)	-	(1,600)



**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

**K) For the year ended 31 March 2025**

(₹ in Crore)

Particulars	Entities controlling the company/ Fellow Subsidiaries	Associates	Subsidiaries	Others	Total
<b>Balances as at year end :</b>					
(i) Trade Receivables	16	-	260	-	276
(ii) Loans given <sup>N</sup>	-	-	2,671	114	2,785
(iii) Long term borrowings	-	-	2,500	-	2,500
(iv) Other receivables and advances (including brand fee prepaid) <sup>M, P</sup>	229	9	1,850	5	2,093
(v) Trade Payables	-	-	208	17	225
(vi) Other payables	45	-	55	35	135
(vii) Financial guarantee given	-	-	14,875	-	14,875
(viii) Banking Limits assigned/utilised to/for group companies <sup>L</sup>	115	-	25	-	140
(ix) Sitting fee, commission and consultancy fees payable	-	-	-	2	2
-To Non executive directors	-	-	-	-	-
-To Other Key management personnel	-	-	-	-	-

**Remuneration of key management personnel**

(₹ in Crore)

Particulars	For the Year ended 31 March 2025
Short-term employee benefits	29
Post employment benefits <sup>**</sup>	1
Share based payments	-
<b>Total</b>	<b>30</b>

All related party transactions executed by the Company are at arm's length and in ordinary course of business.

<sup>\*\*</sup> Does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.

Sales made to/purchases made from and other transactions with related parties are on the same terms as applicable to third parties in an arm's length transaction and in the ordinary course of business. The Company mutually negotiates and agrees prices, discount and payment terms with the related parties by benchmarking the same to transactions with non-related parties. Trade receivables and Trade payables outstanding balances are unsecured and require settlement in cash. No guarantee or other security has been received/ given against these receivables/ payables.



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## Vedanta Limited

### Notes forming part of the financial statements as at and for the year ended 31 March 2026

**L)** The Company reduced its loan receivable from Vedanta Limited ESOS Trust by repayment of ₹ 134 Crore (31 March 2025: ₹ 83 Crore) on exercise of stock options by employees. Further, the Company has given an additional loan of ₹ 387 Crore (31 March 2025: ₹ 43 Crore) to Vedanta Limited ESOS Trust for purchase of shares.

**M)** Bank guarantee given by the Company on behalf of Vedanta Inc (formerly known as Volcan Investments Limited) in favour of Income Tax department, India as collateral in respect of certain tax disputes of Vedanta Inc.

**N)** The Company has a Brand license and strategic service fee agreement ("the Agreement") with VRL for the use of brand 'Vedanta' and providing strategic services which envisaged payment to VRL at 3% of turnover of the Company. During the year ended 31 March 2024, VRL assigned the Agreement including sublicensing agreement to its wholly owned subsidiary, VRIL, whereby the Company will fulfil its obligations under the Agreement via VRIL with effect from 01 April 2024. The Company has recorded an expense of ₹ 2,408 Crore for the year ended 31 March 2026 (31 March 2025: ₹ 2,056 Crore). The Company generally pays such fee in the beginning of the year, based on its estimated annual turnover.

Furthermore, the Company had sublicensed the Agreement to its subsidiary, Hindustan Zinc Limited (HZL), originally at 2% of its turnover, at net sublicensing fee of 1.70% of HZL's annual consolidated turnover which has been amended to 3% of its turnover, at net sublicensing fee of 2.5% with effect from 01 April 2025. The Company also executed a sublicensing agreement with Ferro Alloys Corporation Limited (FACOR) at 3% of its turnover, at net sublicensing fee of 2.50% of FACOR's annual consolidated turnover with effect from 01 April 2024. Consequently, for the year ended 31 March 2026, the Company has recorded income of ₹1,203 Crore (31 March 2025: ₹686 Crore) and an expense of ₹1,002 Crore (31 March 2025: ₹582 Crore).

**O)** During the previous year ended 31 March 2025, the Company has renewed loan provided to Sterlite Iron and Steel Company Limited for a further period of 12 months. The loan balance as at 31 March 2026 is ₹ 5 Crore (31 March 2025: ₹ 5 Crore). The loan is unsecured in nature and carries an interest rate of 10.40% per annum. The loan including accrued interest thereon have been fully provided for in the books of the Company.

**P)** During the year ended 31 March 2023, the Company executed an agency contract with VRL. Pursuant to which, the Company procured calcined alumina amounting to ₹ 687 Crore (31 March 2025: ₹2,069 Crore) on which an agency commission of ₹ 3 Crore (31 March 2025: ₹ 10 Crore) is paid to VRL.

**Q)** VRL, as a parent company, has provided financial and performance guarantee to the Government of India for erstwhile Cairn India group's ("Cairn") obligations under the Production Sharing Contract ("PSC") provided for onshore block RJ-ON-90/1, for making available financial resources equivalent to Cairn's share for its obligations under the PSC, personnel and technical services in accordance with industry practices and any other resources in case Cairn is unable to fulfil its obligations under the PSC.

Similarly, VRL has also provided financial and performance guarantee to the Government of India for the Group's obligations under the Revenue Sharing Contract ("RSC") in respect of 51 Blocks awarded under the Open Acreage Licensing Policy ("OALP") by the Government of India.

During the previous year ended 31 March 2025, based on updated benchmarking analysis conducted by independent experts, the Group has executed revised agreement with VRL with effect from 01 April 2024. The Group will pay an annual guarantee fee of US\$ 9 million (31 March 2024: US\$ 10 million) for the OALP Blocks and fee of US\$ 5 million (31 March 2024: US\$ 5 million) for the RJ-ON-90/1 block, in ratio of participating interests held equally by the Company and its step-down subsidiary, Cairn Energy Hydrocarbons Ltd ("CEHL").

Accordingly, the Company has recorded a guarantee commission expense (excluding tax) of ₹ 103 Crore (US\$ 11.5 million) (31 March 2025: ₹ 118 Crore (US\$ 14 million)) for the year ended 31 March 2026 and no amount remained (31 March 2025: ₹ 1 Crore (US\$ 0 million)) outstanding as a pre-payment as at 31 March 2026.

**R)** During the previous year ended 31 March 2025, VRL through its wholly owned subsidiary VRHL, regained control of Konkola Copper Mines Plc ("KCM") w.e.f. 31 July 2024. The Company had an outstanding receivable of ₹ 212 Crore (predominantly regarding monies advanced against purchase of copper cathode/anode) from KCM, which were fully provided for in the books of accounts, in earlier years.



**Vedanta Limited**
**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

**40 (a)** The Company has incurred gross amount of ₹ 210 Crore (31 March 2025: ₹ 262 Crore) towards Corporate Social Responsibility (CSR) as per Section 135 of the Companies Act, 2013:

Particulars	(₹ in Crore)			
	Year ended 31 March 2026		Year ended 31 March 2025	
	In- Cash	Yet to be Paid in Cash	In- Cash	Yet to be Paid in Cash
(a) Gross amount required to be spend by the Company during the year	126	-	154	-
(b) Amount approved by the Board to be spent during the year	127	-	132	-
(c) Amount spent on: *				
i) Construction/acquisition of assets	4	-	6	-
ii) On purposes other than (i) above (for CSR projects)	86	16	103	20
<b>Total</b>	<b>90</b>	<b>16</b>	<b>109</b>	<b>20</b>

\* includes ₹ 64 Crore (31 March 2025: ₹ 77 Crore) paid to related party (Refer note 39)

**Amount of expense excess spent**

Particulars	(₹ in Crore)	
	Year ended 31 March 2026	Year ended 31 March 2025
Opening Balance	108	139
Amount spent during the year	102	123
Amount required to be spent during the year	(126)	(154)
<b>Closing Balance*</b>	<b>84</b>	<b>108</b>

\*Excess spent at the end of the year is recognised as asset in the balance sheet which is proposed to be offset against future spend obligations

**Balance of CSR provision/ CSR expenses not yet paid in cash**

Particulars	(₹ in Crore)	
	Year ended 31 March 2026	Year ended 31 March 2025
Opening Balance	20	30
Provision made during the year	106	129
Payments made during the year	(110)	(139)
<b>Closing Balance</b>	<b>16</b>	<b>20</b>

**Nature of CSR Expenses**

Particulars	(₹ in Crore)	
	Year ended 31 March 2026	Year ended 31 March 2025
Health and sanitation	10	9
Infrastructure development	2	15
Education sports and culture	13	12
National Initiatives and others	55	87
Others	22	-
Utilisation of opening excess spent	108	139
<b>Total</b>	<b>210</b>	<b>262</b>

**(b) Disclosures under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006**

Particulars	(₹ in Crore)	
	Year ended 31 March 2026	Year ended 31 March 2025
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year*	306	154
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	34
(iii) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise	-	-

\*Out of the Principal amount, ₹296 Cr relates to Discontinued Operations



**Vedanta Limited**

Notes forming part of the financial statements as at and for the year ended 31 March 2026

**(c) Loans and Advance(s) in the nature of Loans (Regulations 34 (3) and 53 (f) read together with Para A of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and Section 186(4) of the Companies Act, 2013):**

(₹ in Crore)

Name of the Company	Relationship	Balance as at 31 March 2026	Maximum Amount Outstanding during the year	Balance as at 31 March 2025
ESL Steel Limited (Interest rate 7.95% - 9.11%; Tenure 12 - 120 months)	Subsidiary	1,788	1,827	575
Ferro Alloys Corporation Limited (Interest rate 9.35%; Tenure 36 months)	Subsidiary	400	400	300
MALCO Energy Limited ("MEL") (Interest rate 10.40%; Tenure 12 months)	Wholly owned subsidiary	367	367	252
Meenakshi Energy Limited (Interest rate 10.70% - 10.75%; Tenure 36 - 48 months)	Wholly owned subsidiary	-	311	128
Sesa Iron and Steel Limited (Interest rate 10.40%; Tenure 12 months)	Wholly owned subsidiary	-	0	-
Sesa Mining Corporation Limited ("SMCL") (Interest rate 8.97%; Tenure 12 months)	Wholly owned subsidiary	4	87	45
Talwandi Sabo Power Limited (Interest rate 8.97%; Tenure 6 months)	Wholly owned subsidiary	869	869	200
THL Zinc Ventures Ltd ("THLZVL") (Interest rate 12%; Tenure 36 months)	Wholly owned subsidiary	-	1,114	1,103
Vedanta Aluminium Metal Limited (Interest rate 10.40%; Tenure 12 months)	Wholly owned subsidiary	0	0	-
Vedanta Base Metals Limited (Interest rate 10.40%; Tenure 12 months)	Wholly owned subsidiary	0	0	-
Vedanta Displays Limited (Interest rate 8.97%; Tenure 12 months)	Wholly owned subsidiary	6	6	6
Vedanta Iron and Steel Limited (Interest rate 10.40%; Tenure 12 months)	Wholly owned subsidiary	0	0	-
Vedanta Semiconductors Private Limited ("VSPL") (Interest rate 8.97% - 10.70%; Tenure 12 months)	Wholly owned subsidiary	38	38	30
Vedanta Copper International VCI Limited (Interest rate 7.61; Tenure 12 months)	Wholly owned Subsidiary	16	16	-
Vizag General Cargo Berth Private Limited (Interest rate 7.68% - 8.29%; Tenure 12 - 96 months)	Wholly owned subsidiary	9	32	32

**Notes:**

- None of the loanee have made, per se, investment in the shares of the Company.
- Investments (gross) made by the loanee in a subsidiary, in earlier years, are as follows:
  - Investment made by SMCL in Desai Cement Company Private Limited - 18,52,646 equity shares of ₹ 10 each.
  - Investment made by MEL in Fujairah Gold FZC - 33,590,300 equity shares of AED 100 each.
  - Investments made by THLZVL in THL Zinc Ltd - 1,000 ordinary shares of \$ 1 each, 90,000 ordinary shares of \$ 100 each and 85,92,680 OCRPS of \$ 100 each (including premium).
- During the year ended 31 March 2026, the Company has created charge over the below assets in respect of borrowings availed by its wholly owned subsidiaries:
  - 100% equity shares of Bloom Fountain Limited ("BFL") and certain fixed assets of VEDL against the loan facility of ₹ 1,709 Crore (US\$ 200 million) availed by BFL.
  - 100% equity shares of VSPL, certain fixed assets of VEDL and certain shares of HZL against the loan facility of ₹ 2,500 Crore availed by VSPL.
- Details of investments made and guarantees provided are given in Note 6 and Note 38B, respectively.
- The underlying loans have been given for business purpose.



**Vedanta Limited**  
Notes forming part of the financial statements as at and for the year ended 31 March 2026

41 Financial ratios are as follows:

Ratio	As at 31 March 2026	As at 31 March 2025	% Variance
1 Current Ratio (in times)	0.95	0.79	20%
2 Debt-Equity Ratio (in times)	0.68	0.57	19%
3 Debt Service Coverage Ratio (in times)	1.28	1.40	-9%
4 Return on Equity Ratio (%)	19%	22%	-14%
5 Inventory turnover Ratio (in times)	7.61	7.56	1%
6 Trade Receivables turnover Ratio (in times)	24.41	28.72	-15%
7 Trade payables turnover Ratio (in times)	11.10	11.57	-4%
8 Net capital turnover Ratio (in times)	**	**	**
9 Net profit Ratio (%)	16%	20%	-20%
10 Return on Capital employed (%) <sup>a</sup>	17%	11%	55%
11 Return on investment (%) <sup>b</sup>	8.00%	17.00%	-53%

\*\*Net working capital is negative

Formulae for computation of ratios is as follows:

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

**Notes:**

- The Return on Capital employed has increased due to increase in earnings before interest and tax during the current year.
- The Return on investment has decreased due to lower income from investments carried at FVTPL.



**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

**42 Oil & gas reserves and resources**

The Company's gross reserve estimates are updated atleast annually based on the forecast of production profiles, determined on an asset-by-asset basis, using appropriate petroleum engineering techniques. The estimates of reserves and resources have been derived in accordance with the Society for Petroleum Engineers "Petroleum Resources Management System (2018)". The changes to the reserves are generally on account of future development projects, application of technologies such as enhanced oil recovery techniques and true up of the estimates. The management's internal estimates of hydrocarbon reserves and resources at the year end, are as follows:

Particulars	Country	Gross proved and probable hydrocarbons initially in place		Gross proved and probable reserves and resources		Net working interest proved and probable reserves and resources	
		(mmboe)		(mmboe)		(mmboe)	
		As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Rajasthan Block	India	5,265	5,281	1,085	1,140	380	399
Ravva PKGM-1	India	732	728	12	13	3	3
CB-OS/2 Fields	India	301	298	29	31	11	12
KG-ONN-2003/1	India	260	260	47	49	23	24
Others	India	554	600	147	198	147	198
<b>Total</b>		<b>7,112</b>	<b>7,167</b>	<b>1,320</b>	<b>1,431</b>	<b>564</b>	<b>636</b>

The Company's net working interest proved and probable reserves is as follows:

Particulars	Proved and probable reserves		Proved and probable reserves (developed)	
	Oil	Gas	Oil	Gas
	(mmstb)	(bscf)	(mmstb)	(bscf)
<b>Reserves as of 31 March 2024*</b>	<b>73</b>	<b>75</b>	<b>54</b>	<b>64</b>
(Revisions)/ additions during the year	(6)	6	-2	8
Production during the year	(11)	(22)	(11)	(22)
<b>Reserves as of 31 March 2025**</b>	<b>56</b>	<b>59</b>	<b>41</b>	<b>50</b>
(Revisions)/ additions during the year	(10)	80	(0)	1
Production during the year	(9)	(17)	(9)	(17)
<b>Reserves as of 31 March 2026***</b>	<b>37</b>	<b>122</b>	<b>32</b>	<b>34</b>

\* Includes probable oil reserves of 23.97 mmstb (of which 10.84 mmstb is developed) and probable gas reserves of 21.49 bscf (of which 20.10 bscf is developed)

\*\* Includes probable oil reserves of 13.16 mmstb (of which 9.13 mmstb is developed) and probable gas reserves of 14.69 bscf (of which 12.66 bscf is developed)

\*\*\* Includes probable oil reserves of 11.14 mmstb (of which 8.64 mmstb is developed) and probable gas reserves of 30.90 bscf (of which 6.54 bscf is developed)

mmboe = million barrels of oil equivalent  
mmstb = million stock tank barrels  
bscf = billion standard cubic feet  
1 million metric tonnes = 7.4 mmstb  
1 standard cubic meter = 35.315 standard cubic feet

**43 Other matters**

- a) The Company purchases bauxite under long term linkage arrangement ("LTL") with Odisha Mining Corporation Ltd ("OMC") at provisional price of ₹ 1,000/MT from October 2020 onwards, based on interim order dated 08 October 2020 of the Hon'ble High Court of Odisha ("Odisha HC"), which is subject to final outcome of the writ petition filed by the Company.

The last successful e-auction based price discovery was done by OMC in April 2019 at ₹ 673/MT and supplied bauxite at this rate from September 2019 to September 2020 against an undertaking furnished by the Company to compensate any differential price discovered through future successful national e-auctions. Though OMC conducted the next e-auction on 31 August 2020 with floor price of ₹ 1,707/MT determined on the basis of Rule 45 of Minerals Concession Rules, 2016 ("the Rules"), no bidder participated at that floor price and hence the auction was not successful. However, OMC issued a demand of 281 Crore on the Company towards differential pricing and interest for bauxite supplied till September 2020, considering the auction base price of ₹ 1,707/MT.



**Vedanta Limited****Notes forming part of the financial statements as at and for the year ended 31 March 2026**

The Company had then filed a writ petition before the Hon'ble Odisha HC, which issued an interim Order dated 08 October 2020 directing that the Company shall be permitted to lift the quantity of bauxite mutually agreed on payment of ₹ 1,000/MT after furnishing an undertaking for the differential amount, subject to final outcome of the writ petition.

OMC re-conducted e-auction on 09 March 2021 with floor price of ₹ 2,011/MT, which again was not successful. On 18 March 2021, Hon'ble Cuttack High court issued an order that the current arrangement of bauxite price of ₹ 1,000/MT will continue for the FY 2021-22. Further, on 06 April 2022, Hon'ble Cuttack High Court directed that the current arrangement will continue for the FY 2022-23 also.

An interim application was filed on 11 May 2023 in Hon'ble Odisha High Court seeking directions for OMC to continue the supplies for FY 2023-24 and extend the LTL agreement. Hon'ble Odisha High Court vide order dated 15 May 2023, passed an order that unless the fresh agreement is not executed interim arrangement cannot be granted.

Accordingly, as per the direction of Hon'ble court, LTL was executed with OMC on 16 May 2023 for supply of 2.4 MT bauxite annually at a price of ₹ 1000/MT.

During September 2023 to March 2026, OMC has conducted 19 National E-auctions for sale of bauxite quantities ranging from 50KT to 600KT at floor prices ranging from ₹ 2,429/MT to ₹ 3,874/MT after considering the pricing of Rule 45 of the Rules. These auctions have largely been unsuccessful.

Supported by legal opinions, management believes that the provisions of Rule 45 of the Rules are not applicable to commercial sale of bauxite ore and hence, it is not probable that the Company will have any financial obligation towards the aforesaid commitments over and above the price of discovered in the last successful e-auction. However, as an abundant precaution, the Company has recognized purchases of Bauxite from September 2019 onwards, at the aforesaid rate of ₹ 1,000/MT. This matter pertains to Discontinued Operations.

- (b) The Government of India ("GoI"), acting through the Directorate General of Hydrocarbons ("DGH"), had raised a 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; recovery of exploration costs incurred after the Exploration phase; and certain other matters aggregating to ₹ 9,545 Crore (US\$ 1,162 million) and applicable interest thereon representing share of Vedanta Limited and its subsidiary.

The Company had disputed the aforesaid demand and invoked arbitration as per the provisions of the Production Sharing Contract. The Company had received the Final Partial Award dated 22 August 2023 from the Arbitration Tribunal ("the Tribunal") as amended by orders dated 15 November 2023 and 8 December 2023 ("the Award"), 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 allowing some aspects of the audit objections raised. Further, the Tribunal had decided that the Company was allowed to claim cost recovery of exploration cost as per terms of the Production Sharing Contract.

Pursuant to the Award, the Company had recognised a benefit of ₹ 2,381 Crore (US\$ 289 million) in revenue from operations in financial year ended 31 March 2024. The Company has adjusted the profit petroleum liability against the aforesaid benefit.

The GoI filed interim relief application to the Tribunal on 3 February 2024 stating that the Company has unilaterally enforced the Award although the quantification of the same is pending. The Tribunal vide its order dated 29 April 2024 denied the GoI's interim relief application. The GoI has filed an appeal before the Hon'able Delhi High Court ("Section 37 Appeal") challenging Tribunal's order dated 29 April 2024. On 11 July 2025, the Hon'able Delhi High Court dismissed GOI's Section 37 Appeal in Company's favour. The GOI has filed a SLP before the Hon'able Supreme Court challenging Hon'able Delhi High Court's order dated 11 July 2025. The matter is listed for hearing on maintainability of the SLP on 29 July 2026. Without prejudice to its rights under the proceedings, the Company has paid a sum of ₹ 257 Crore (US\$ 29 million) during the year ended 31 March 2026.

In the interim, quantum proceedings have commenced. The Company has filed its claim for US\$ 256 million before the Tribunal and the GOI, while disputing the claim of the Company, has filed a counter claim of US\$ 105 million to the Tribunal. As Vedanta's claim of US\$ 256 million is largely on account of disintegration of the Virtual Development Areas ("DAs") (that were created on account of Office Memorandum 13 & Office Memorandum 19) into the main DA, the management believes that Vedanta has a good case on merits. The GOI's claim of US\$ 105 million is based largely on the argument that the Work Programme & Budget ("WP&B") was not reviewed by the GOI. It is Vedanta's submission that the WP&B were submitted to DGH for review. Hearing on the matter concluded in March 2026. The arbitration award is awaited on this matter.

The GoI had also filed a challenge against the Award on 7 March 2024 in Hon'able Delhi High Court ("Section 34 Application"). Notice has been issued in the matter. Till date, no stay has been granted on the operation of the Award. Next date of hearing is 8 May 2026. The Company believes that the Court may not re-appreciate the evidence in Section 34 Application, as the interpretation by the Tribunal is plausible.

- (c) The Ravva Production Sharing Contract (PSC) obliges the contractor parties (including the Company (Cairn India Limited which subsequently merged with the Company, accordingly now referred to as the Company)) 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 which rendered a decision on the ONGC Carry in favour of the contractor parties whereas four other issues were decided in favour of the Government of India (GoI) in October 2004 (Partial Award) and final award in 2017.



**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

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 Company's favour. The 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. The Company has also filed for the enforcement of the Partial Award and Final Award before the Hon'ble Delhi High Court. Hearing in the matter is completed, and the matter is reserved for pronouncement of the judgement. Judgement awaited.

The Company has filed an enforcement application before Delhi High Court, which is disputed by GOI and GOI has demanded approximately ₹ 601 Crore (US\$ 64 million) plus interest (31 March 2025: ₹ 546 Crore (US\$ 64 million) plus interest). The Company does not believe that the GoI will be successful in its challenge as the Arbitral Award has been appealed multiple times and has finally been upheld by the Federal Court of Malaysia in favour of the Company. This matter pertains to Discontinued Operations.

- 44 The Company's Production Sharing Contract (PSC) for the Cambay Block (CB-OS/2) expired on 29 June 2023. The Company, along with its joint venture partners, had submitted an application for extension of the PSC on 28 June 2021, under the Government of India's 2017 Extension Policy. The Company received few temporary short-term extensions in the interim. The carrying value of Property, Plant and equipment/ Capital work-in progress and receivables from other joint venture partner in Cambay block is ₹470 Crore (US\$ 50 million).

The Ministry of Petroleum & Natural Gas (MoPNG) vide its letter dated 19 September 2025 has not accepted the application for extension of the PSC, citing delays, procedural and contractual non-compliances.

The Company has challenged the said letter before the Hon'ble Delhi High Court through a writ petition filed in September 2025, primarily on the grounds that the rejection is arbitrary and did not consider relevant factors under 2017 Extension policy. Pursuant to the Delhi High Court's judgement dated 6 January 2026, notices have been issued in the matter and the parties have been directed to maintain status quo. Reply has been filed by the DGH and ONGC and Company has filed its rejoinder. DGH has also filed an application seeking vacation of the interim order. The matter is being heard.

Based on provisions of PSC, and its interpretation of 2017 extension policy, management believes that that extension would be granted by MoPNG as the application for extension of the PSC was made in compliance with the timelines and criteria under the 2017 Extension Policy. Accordingly, no adjustments have been made to the standalone financial statements for the year ended 31 March 2026.



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## Vedanta Limited

### Notes forming part of the financial statements as at and for the year ended 31 March 2026

#### 45 Scheme of Arrangement for demerger

The Board of Directors, in its meeting held on 29 September 2023, had approved a Scheme of Arrangement ("the Original Scheme") for demerger of various businesses of the Company, namely, demerger of the Company'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 & Steel (represented by Iron Ore segment and Steel and Cement business) Undertakings, resulting in 6 separate companies (including Vedanta Limited, 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 gave their no-objection to the Scheme.

A first motion application, in respect of the Original Scheme, was filed by demerged company (i.e., Vedanta Limited) 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") on 06 August 2024 ("VEDL First Motion"). The Hon'ble NCLT by way of its order dated 21 November 2024 ("VEDL NCLT Order") inter alia:

- directed the Company to convene a meeting of its equity shareholders, secured creditors and unsecured creditors within 90 days of the date of receipt of the Order;
- directed MEL to convene a meeting of its secured and unsecured creditors within 90 days of the date of receipt of the Order;
- dispensed with the meeting of equity shareholders of VAML, MEL, VBML and VISL; and
- dispensed with the meeting of secured and unsecured creditors of VAML, VBML and VISL.

In December 2024, Vedanta Limited and other five resulting companies decided not to proceed with implementation of Part V of the Original Scheme, i.e., demerger of Base Metal undertaking into VBML, along with making appropriate updates to the Original Scheme ("Scheme"). The non-implementation of the demerger of the Base Metals undertaking shall not affect any other parts of the Original Scheme described above.

In compliance with VEDL NCLT Order, the meetings were held on 18 February 2025 and the Scheme (with modification to exclude demerger of Base Metals Undertaking) was approved by the equity shareholders, secured creditors and unsecured creditors of the Company, as well as the secured and unsecured creditors of MEL.

On 5 March 2025, Vedanta Limited along with VAML, MEL and VISL, filed a second motion petition before the Hon'ble NCLT inter alia seeking sanction of the Updated Scheme. After multiple hearings with the Hon'ble NCLT, the Updated Scheme has been approved by the Hon'ble NCLT vide its order dated 16 December 2025.

Further, a separate first motion application was filed by Taiwandi Sabo Power Limited ("TSPL"), one of the resulting companies, with the Hon'ble NCLT, Mumbai on 22 October 2024 ("TSPL First Motion") for demerger of Merchant Power Undertaking of the Company, since TSPL's Registered Office ("RO") was in the process of being changed from Mansa (Punjab) to Mumbai (Maharashtra) at the time of filing VEDL First Motion. The Hon'ble NCLT, Mumbai by its order dated 4 March 2025, disposed the TSPL First Motion by rejecting the scheme ("TSPL NCLT Order"). In an appeal filed by TSPL, the TSPL NCLT Order has been set aside by the Hon'ble NCLAT, New Delhi vide order dated 15 September 2025 and the matter has been remanded to the Hon'ble NCLT for proceeding with TSPL First Motion. The Hon'ble NCLT by way of its order dated 17 October 2025 inter alia directed (i) dispensation of the meeting of equity shareholders of TSPL; and (ii) TSPL to convene a meeting of its secured creditors and unsecured creditors within 90 days of the date of receipt of the order. The meetings were held on 21 November 2025, and the Scheme was approved by the secured creditors and unsecured creditors of TSPL. On 25 November 2025, TSPL filed a second motion petition before the Hon'ble NCLT inter alia seeking sanction of the Updated Scheme. The Updated Scheme has been approved by the Hon'ble NCLT vide its order dated 9 January 2026.

Consequently, the receipt of aforesaid NCLT approval, being one of the substantial approvals, meets the highly-probable criteria prescribed in Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" for presentation of the Updated Scheme as discontinued operations. Hence Aluminium undertaking, Iron Ore undertaking and Power undertaking have been disclosed as discontinued operation in financial statements. Accordingly, all previous period figures in the statement of profit and loss have also been re-presented/re-computed.

The Board of Directors, at its meeting held on 20 April 2026, has inter alia, approved the following:

- To make the Scheme effective on 1 May 2026; and
- In consultation with VAML, TSPL, MEL and VISL, the Board has fixed 1 May 2026, as the record date for determining the shareholders eligible to receive consideration pursuant to the Scheme. The impact of the demerger would be given in the period when all substantial conditions as per Scheme are fulfilled/ met.



**Vedanta Limited**  
**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

Brief particulars of the Demerged Undertaking / Discontinued Operations are given as under:

**(a) Carrying value of net assets of the Demerged Undertaking (net of inter segment balances) as at 31 March 2026**

Particulars	₹ in crores)			Total
	Aluminium Undertaking	Iron ore Undertaking	Oil & Gas Undertaking	
<b>Non-current assets</b>				
Property, Plant and Equipment	40,970	1,793	5,046	50,898
Capital work-in-progress	2,001	394	3,332	7,412
Intangible assets	901	120	39	1,060
Exploration intangible assets under development	1,040	-	2,143	3,183
Financial assets				
Investments	992	1,775	8,561	15,461
Loans	-	1,309	-	1,309
Trade receivables	-	-	-	634
Derivatives	229	-	-	229
Others	1,090	125	1,513	2,742
Deferred tax assets (net)	-	0	-	1,473
Other non-current assets	1,929	490	126	2,637
<b>Total non-current assets</b>	<b>49,152</b>	<b>6,006</b>	<b>20,760</b>	<b>87,038</b>
<b>Current assets</b>				
Inventories	4,977	1,010	402	6,480
Financial assets				
Investments	1,387	127	20	1,541
Trade receivables	2,276	178	448	3,081
Cash and cash equivalents	1,300	268	1,133	3,447
Other bank balances	268	102	2,576	2,950
Loans	0	689	0	1,558
Derivatives	296	12	-	308
Others	1,107	721	5,563	7,621
Other current assets	773	1,098	78	2,177
<b>Total current assets</b>	<b>12,384</b>	<b>4,205</b>	<b>10,220</b>	<b>29,163</b>
<b>Total Assets (A)</b>	<b>61,536</b>	<b>10,211</b>	<b>30,980</b>	<b>1,16,201</b>
<b>Non-current liabilities</b>				
Financial liabilities				
Borrowings	25,088	418	1,015	29,025
Lease liabilities	64	200	94	362
Other financial liabilities	-	0	4	4
Provisions	197	12	1,360	1,574
Deferred tax liabilities (net)	4,046	19	654	4,719
Other non-current liabilities	2,143	26	0	2,198
<b>Total non-current liabilities</b>	<b>31,538</b>	<b>675</b>	<b>3,127</b>	<b>37,882</b>
<b>Current liabilities</b>				
Financial liabilities				
Borrowings	10,323	1,054	2,240	13,617
Lease liabilities	17	167	54	238
Operational buyers' credit / suppliers' credit	4,073	1,096	33	5,406
Trade payables	2,433	296	728	3,510
Derivatives	3,327	-	-	3,327
Other financial liabilities	2,392	253	6,755	9,825
Other current liabilities	1,672	441	207	2,340
Provisions	71	53	72	198
<b>Total current liabilities (B)</b>	<b>24,308</b>	<b>3,359</b>	<b>10,089</b>	<b>38,460</b>
<b>Total Liabilities (B)</b>	<b>55,846</b>	<b>4,035</b>	<b>13,216</b>	<b>76,342</b>
<b>Net Assets Transferred (A)-(B)</b>	<b>5,690</b>	<b>6,177</b>	<b>17,764</b>	<b>39,859</b>



Vedanta Limited  
Notes forming part of the financial statements as at and for the year ended 31 March 2026  
(b) Profit from Discontinued Operations

Gross of inter segment transactions for the year ended 31st March 2026

Particulars	₹ in crores			
	Aluminium Undertaking	Iron ore Undertaking	Oil & Gas Undertaking	Power Undertaking
Revenue from Operations	50,592	6,073	5,546	1,938
Total Income	51,077	6,789	7,739	1,952
Total Expenses	37,474	5,685	5,527	1,830
Share of profit/(loss) of associates and joint ventures	-	-	-	-
<b>Profit before Exceptional Items and Tax</b>	<b>13,603</b>	<b>1,104</b>	<b>2,212</b>	<b>122</b>
Exceptional Items	(389)	(863)	(25)	(2)
Tax Expense	3,435	134	148	6
<b>Profit from Discontinued Operations</b>	<b>9,779</b>	<b>107</b>	<b>2,039</b>	<b>114</b>

Gross of inter segment transactions for the year ended 31st March 2025

Particulars	₹ in crores			
	Aluminium Undertaking	Iron ore Undertaking	Oil & Gas Undertaking	Power Undertaking
Revenue from Operations	44,233	5,636	6,283	678
Total Income	44,829	6,249	8,671	689
Total Expenses	37,444	5,245	5,695	1,143
Share of profit/(loss) of associates and joint ventures	-	-	-	-
<b>Profit before Exceptional Items and Tax</b>	<b>7,385</b>	<b>1,004</b>	<b>2,976</b>	<b>(454)</b>
Exceptional Items	-	(314)	1,113	799
Tax Expense	1,935	77	439	(79)
<b>Profit from Discontinued Operations</b>	<b>5,450</b>	<b>613</b>	<b>3,650</b>	<b>(375)</b>

Net of inter segment transactions for the year ended 31st March 2026

Particulars	₹ in crores			
	Aluminium Undertaking	Iron ore Undertaking	Oil & Gas Undertaking	Power Undertaking
Revenue from Operations	50,592	6,073	5,546	1,839
Total Income	51,077	6,305	7,627	1,853
Total Expenses	37,131	5,685	5,721	1,825
Share of profit/(loss) of associates and joint ventures	-	-	-	-
<b>Profit before Exceptional Items and Tax</b>	<b>13,946</b>	<b>620</b>	<b>1,906</b>	<b>28</b>
Exceptional Items	(389)	(863)	(25)	(2)
Tax Expense	3,435	134	148	6
<b>Profit from Discontinued Operations</b>	<b>10,122</b>	<b>(377)</b>	<b>1,733</b>	<b>20</b>

Net of inter segment transactions for the year ended 31st March 2025

Particulars	₹ in crores			
	Aluminium Undertaking	Iron ore Undertaking	Oil & Gas Undertaking	Power Undertaking
Revenue from Operations	44,233	5,636	6,283	678
Total Income	44,595	5,779	8,548	689
Total Expenses	36,961	5,148	5,765	1,137
Share of profit/(loss) of associates and joint ventures	-	-	-	-
<b>Profit before Exceptional Items and Tax</b>	<b>7,634</b>	<b>631</b>	<b>2,783</b>	<b>(448)</b>
Exceptional Items	-	(314)	1,113	799
Tax Expense	1,935	77	439	(79)
<b>Profit from Discontinued Operations</b>	<b>5,699</b>	<b>240</b>	<b>3,457</b>	<b>(369)</b>



**Vedanta Limited**  
**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

**(c) Net Cashflows attributable to the Discontinued Operations**

**Gross of inter segment transactions for the year ended 31st March 2026**

	(₹ in crores)				
Year ended 31 March 2026	Aluminium Undertaking	Iron ore Undertaking	Oil & Gas Undertaking	Power Undertaking	Total
Net Cash generated from Operating Activities	13,663	865	1,927	1,271	17,726
Net Cash (used in)/generated from Investing Activities	(4,790)	(634)	4,574	(1,317)	(2,167)
Net Cash (used in)/generated from Financing Activities	(8,801)	(139)	(5,876)	688	(14,128)

**Gross of inter segment transactions for the year ended 31st March 2025**

	(₹ in crores)				
Year ended 31 March 2025	Aluminium Undertaking	Iron ore Undertaking	Oil & Gas Undertaking	Power Undertaking	Total
Net Cash generated from/(used in) Operating Activities	11,214	428	5,005	(501)	16,146
Net Cash used in Investing Activities	(3,732)	(290)	(3,440)	(1,082)	(8,544)
Net Cash (used in)/generated from Financing Activities	(7,347)	(16)	(1,063)	1,687	(6,739)

Total expense includes finance cost which has been allocated between continuing and discontinued operations based on best estimate of debt allocation between business divisions of Vedanta Limited as at 31 March 2026. Accordingly finance cost of comparative periods have been regrouped between continuing and discontinued operations.

**46** During the year ended 31 March 2026, a short seller has published reports alleging certain matters against some of the Vedanta Group entities including the Company. Based on management assessment, legal advice obtained, and involvement of external experts, management continues to believe that these allegations are baseless and that the transactions stated in the allegations have appropriate commercial substance and that the said transactions have been duly approved through necessary processes and the Company remains compliant with contractual obligations and applicable laws and regulations. During and subsequent to the year ended 31 March 2026, Company has received requests for information and summons for production of documents from the regulators. These are being submitted within relevant due dates and no further communication has been received thereafter. Based on the above, management is confident that no adjustments are required to these financial statements and financial information of the Company for year ended 31 March 2026 or any prior periods with respect to the allegations in the short seller reports published till date.

**47 Subsequent events**

(a) Subsequent to 31 March 2026, an incident has occurred at a boiler of Company's Athena Power Plant located at Singhitari, Chhattisgarh on 14 April 2026. The plant has been taken out of operation, and a detailed technical assessment is currently underway. Based on management's preliminary assessment and information available as at the date of approval of these financial statements, the incident is not expected to have a net material impact on the Company's financial position, statement of operations, or cash flows. Management continues to monitor the situation and will take necessary actions, if required.

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

**48** The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, no instance of audit trail feature being tampered was noted in respect of the software. Additionally, the Company preserved audit trail in full compliance with the requirements of section 128(5) of the Act to the extent it was enabled and recorded.



**Vedanta Limited**

**Notes forming part of the financial statements as at and for the year ended 31 March 2026**

**49 Other Statutory Information**

- a) The Company does not have any material transactions with companies struck off as per the Companies Act, 2013.
- b) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- c) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.
- d) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- e) The Company has not traded or invested in Crypto currency or Virtual currency during the financial year.
- f) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income- tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income- tax Act, 1961).

As per our report of even date

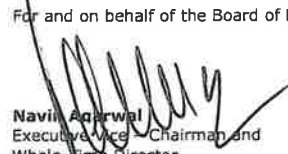
For **S.R. Batliboi & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No. 301003E/E300005



per **Vikas Pansari**  
Partner  
Membership No: 093649  
Place: Mumbai

Date: 29 April 2026

For and on behalf of the Board of Directors



**Navin Agarwal**  
Executive Vice - Chairman and  
Whole-Time Director  
DIN 00006303  
Place: Mumbai



**Ajay Goel**  
Chief Financial Officer  
PAN AEAPG8383C  
Place: Mumbai

Date: 29 April 2026



**Arun Misra**  
Executive Director  
(Whole-Time Director)  
DIN 01835605  
Place: Mumbai



**Purna Halwasia**  
Company Secretary and  
Compliance Officer  
ICSI Membership No. A20856  
Place: New Delhi

