S.R. BATLIBOI & CO. LLP
Chartered Accountants

67, Institutional Area
Sector 44, Gurugram - 122 003
Haryana, India

Tel: +91 124 681 6000

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

Review Report to
The Board of Directors
Vedanta Iron and Steel Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Vedanta Iron and Steel Limited (the "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group for the quarter ended September 30, 2026 and year to date from April 01, 2026 to September 30, 2026 (the "Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

2. The Holding Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

   We also performed procedures in accordance with the Master Circular issued by the Securities and Exchange Board of India under Regulation 33(8) of the Listing Regulations, to the extent applicable.

4. The Statement includes the results of the following subsidiaries:

S. No.	Name of Entity
1	ESL Steel Limited
2	Bloom Fountain Limited
3	Western Cluster Limited
4	Desai Cement Company Private Limited
5	Sesa Resources Limited
6	Sesa Mining Corporation Limited

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review/audit reports of other auditors referred to in paragraph 6 and 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the aforesaid

Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.

Other Matters

6. The accompanying Statement includes the unaudited interim financial results and other financial information, in respect of 5 subsidiaries, whose unaudited interim financial results include total assets of Rs. 1,987 Cr as at September 30, 2026, total revenues of Rs 120 Cr and Rs 536 Cr, total net profit after tax of Rs. 16 Cr and total net loss after tax of Rs. 46 Cr, total comprehensive profit of Rs. 16 Cr and total comprehensive loss of Rs. 46 Cr, for the quarter ended September 30, 2026 and the six months period ended on that date respectively, and net cash outflows of Rs. 575 Cr for the period from April 01, 2026 to September 30, 2026, as considered in the Statement which have been reviewed by their respective independent auditors.

   The independent auditor's reports on interim financial results of these entities have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures in respect of these subsidiaries, joint operations, joint ventures and associates is based solely on the report of such auditors and procedures performed by us as stated in paragraph 3 above.

7. Certain of these subsidiaries are located outside India whose financial results and other financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial results of such subsidiaries located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion in so far as it relates to the balances and affairs of such subsidiaries located outside India is based on the report of other auditors and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.

   Our conclusion on the Statement in respect of matters stated in para 6 and 7 above is not modified with respect to our reliance on the work done and the reports of the other auditors and the financial results and financial information certified by the Management.

8. The Statement includes:

   a. the financial results for the year ended March 31, 2026, which were audited by predecessor auditor who expressed an unmodified opinion on those financial statements on April 29, 2026 and the figure for the quarter and six months period ended September 30, 2025, and year ended March 31, 2026 as extracted from the books of account underlying the financial results of Vedanta Limited which were subjected to limited review/ audit by the auditors of Vedanta Limited to give the impact of the Scheme of demerger.

   b. financial results and other financial information for the year ended March 31, 2026, in respect of 5 subsidiaries, included in the Statement, were audited by predecessor auditors who expressed an unmodified opinion on those financial results and other information.

   c. interim financial results and other financial information, in respect of 2 subsidiaries, reflect total revenues of Rs 1,462 Cr and Rs 3,293 Crore, total net loss after tax of Rs. 574 Crore and Rs. 950 Cr, total comprehensive loss of Rs. 578 Cr and Rs. 954 Cr for the quarter and six months

S.R. Batliboi & Co. LLP Gurugram

period ended September 30, 2025 respectively, included in the Statement, which have been reviewed by their respective independent auditors.

d. interim financial results and other financial information, in respect of 3 subsidiaries, reflect total revenues of Rs 124 Crore and Rs. 291 Crore, total net loss after tax of Rs. 18 Crore and Rs. 14 Crore, total comprehensive loss of Rs. 19 Crore and Rs. 14 Crore for the quarter and six months period ended September 30, 2025, included in the Statement, which have not been reviewed by their predecessor auditors and have been approved and furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the affairs of this Company and subsidiaries, is based solely on such unaudited interim financial results and other unaudited financial information.

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm registration number: 301003E/E300005





per Amit Chugh
Partner
Membership No.: 505224
UDIN: 26505224JMOTWG1660
Place: Gurugram, Haryana
Date: October 27, 2026

vedanta iron & steel

Vedanta Iron And Steel Limited
CIN: L24109MH2023PLC411777
Regd. Office: C-103, Atul Projects - Corporate Avenue New Link, Chakala MIDC, Mumbai, 400093, Maharashtra, India

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30 SEPTEMBER 2026

(₹ in Crore, except as stated)

		Quarter ended			Half year ended		Year ended
S. No.	Particulars	30.09.2026 (Unaudited)	30.06.2026 (Unaudited) (Refer note 3)	30.09.2025 (Unaudited) (Refer note 3)	30.09.2026 (Unaudited) (Refer note 3)	30.09.2025 (Unaudited) (Refer note 3)	31.03.2026 (Unaudited) (Refer note 3)
	Continuing operations:						
1	**Revenue from operations**						
a)	Revenue	**2,742**	3,612	2,790	**6,354**	5,823	13,339
b)	Other operating income	**46**	50	68	**96**	130	248
	Total revenue from operations (a+b)	**2,788**	3,662	2,858	**6,450**	5,953	13,587
2	Other income	**58**	89	157	**147**	402	799
	Total income	**2,846**	3,751	3,015	**6,597**	6,355	14,386
3	**Expenses**						
a)	Cost of materials consumed	**1,714**	1,831	1,569	**3,545**	3,202	6,558
b)	Purchases of stock-in-trade	**1**	25	19	**26**	21	38
c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	**44**	(411)	112	**(367)**	(60)	98
d)	Power and fuel charges	**86**	88	81	**174**	174	323
e)	Employee benefits expense	**144**	147	142	**291**	292	578
f)	Finance costs	**171**	207	431	**378**	892	1,816
g)	Depreciation, depletion and amortisation expense	**218**	225	204	**443**	403	801
h)	Other expenses	**751**	1,474	900	**2,225**	1,962	4,865
	Total expenses	**3,129**	3,586	3,458	**6,715**	6,886	15,077
4	**(Loss)/ profit before share in loss of jointly controlled entity, exceptional items and tax**	**(283)**	165	(443)	**(118)**	(531)	(691)
5	Add: Share in loss of jointly controlled entity	**-**	-	(0)	**-**	(0)	(0)
6	**(Loss)/ profit before exceptional items and tax**	**(283)**	165	(443)	**(118)**	(531)	(691)
7	Exceptional items (Refer note 6)	**(37)**	-	-	**(37)**	-	(1,534)
8	**(Loss)/ profit before tax**	**(320)**	165	(443)	**(155)**	(531)	(2,225)
9	**Tax expense/ (benefit)**						
	Other than exceptional items						
a)	Net current tax expense	**1**	61	39	**62**	119	294
b)	Net deferred tax expense/(benefit)	**12**	(7)	12	**5**	11	499
	Exceptional items						
c)	Net tax benefit on exceptional items (Refer note 6)	**(9)**	-	-	**(9)**	-	(20)
	Net tax expense (a+b+c)	**4**	54	51	**58**	130	773
10	**Net (loss)/ profit after tax from continuing operations (8-9)**	**(324)**	111	(494)	**(213)**	(661)	(2,998)
	Discontinued operations:						
11	Profit before tax (Refer note 3)	**-**	13	21	**13**	52	119
12	Net tax expense (Refer note 3)	**-**	3	4	**3**	13	56
13	**Net profit after tax from discontinued operations (11-12)**	**-**	10	17	**10**	39	63
14	**Net (loss)/ profit after tax (10+13) (A)**	**(324)**	121	(477)	**(203)**	(622)	(2,935)
15	**Other comprehensive (loss)/ income from continuing operations**						
a.	(i) Items that will not be reclassified to profit or loss	**5**	(1)	(13)	**4**	(14)	(13)
	(ii) Tax (expense)/ benefit on items that will not be reclassified to profit or loss	**0**	0	4	**0**	4	3
b.	(i) Items that will be reclassified to profit or loss	**(20)**	(127)	(404)	**(147)**	(428)	(1,189)
	(ii) Tax (expense)/ benefit on items that will be reclassified to profit or loss	**(0)**	1	-	**1**	-	(5)
16	**Other comprehensive (loss)/ income from discontinued operations**						
a.	(i) Items that will not be reclassified to profit or loss	**-**	-	-	**-**	-	-
	(ii) Tax benefit/ (expense) on items that will not be reclassified to profit or loss	**-**	-	-	**-**	-	-
b.	(i) Items that will be reclassified to profit or loss	**-**	-	-	**-**	-	-
	(ii) Tax benefit/ (expense) on items that will be reclassified to profit or loss	**-**	-	-	**-**	-	-
	Total other comprehensive loss (B)	**(15)**	(127)	(413)	**(142)**	(438)	(1,204)
17	**Total comprehensive loss (A+B)**	**(339)**	(6)	(890)	**(345)**	(1,060)	(4,141)

VEDANTA IRON AND STEEL LIMITED

18	**(Loss)/ Profit attributable to:**						
a)	Owners of Vedanta Iron and Steel Limited	**(311)**	122	(465)	**(189)**	(607)	(2,882)
b)	Non-controlling interest	**(13)**	(1)	(12)	**(14)**	(15)	(53)
19	**Other comprehensive loss attributable to:**						
a)	Owners of Vedanta Iron and Steel Limited	**(15)**	(127)	(413)	**(142)**	(438)	(1,204)
b)	Non-controlling interest	**0**	(0)	(0)	**0**	(0)	(0)
20	**Total comprehensive loss attributable to:**						
a)	Owners of Vedanta Iron and Steel Limited	**(326)**	(5)	(878)	**(331)**	(1,045)	(4,088)
b)	Non-controlling interest	**(13)**	(1)	(12)	**(14)**	(15)	(53)
21	**Net (loss)/ profit after taxes, non-controlling interests and share in loss of jointly controlled entity but before exceptional items**	**(283)**	122	(465)	**(161)**	(607)	(1,371)
22	Paid-up equity share capital (Face value of ₹ 1 each)	**391**	391	0	**391**	0	0
23	Reserves excluding revaluation reserves as per balance sheet						(6,674)
24	Earnings per share for continuing operations (₹) (*not annualised) (Refer note 7)						
	- Basic and Diluted	**(0.80)***	0.29 *	(1.23)*	**(0.51)***	(1.65)*	(7.53)
25	Earnings per share for discontinued operations (₹) (*not annualised) (Refer note 7)						
	- Basic and Diluted	-*	0.02 *	0.04 *	**0.02** *	0.10 *	0.16
26	Earnings per share for continuing and discontinued operations (₹) (*not annualised) (Refer note 7)						
	- Basic and Diluted	**(0.80)***	0.31 *	(1.19)*	**(0.49)***	(1.55)*	(7.37)

"0" represents amount less than ₹ 0.50 Crore

VEDANTA IRON AND STEEL LIMITED

(₹ in Crore)

S. No.	Segment information	Quarter ended			Half year ended		Year ended
		30.09.2026 (Unaudited)	30.06.2026 (Unaudited) (Refer Note 3)	30.09.2025 (Unaudited) (Refer Note 3)	30.09.2026 (Unaudited) (Refer Note 3)	30.09.2025 (Unaudited) (Refer Note 3)	31.03.2026 (Unaudited) (Refer Note 3)
1	**Segment revenue**						
	Continuing operations						
(a)	Iron Ore	**638**	1,190	696	**1,828**	1,725	4,529
(b)	Steel	**2,488**	2,839	2,125	**5,327**	4,553	9,557
	Segment revenue from continuing operations (A)	**3,126**	4,029	2,821	**7,155**	6,278	14,086
	Discontinued operations						
(c)	Iron Ore*	**-**	15	24	**15**	40	119
	Segment revenue from discontinued operations (B)	**-**	15	24	**15**	40	119
	Total segment revenue from continuing and discontinued operations (A+B)	**3,126**	4,044	2,845	**7,170**	6,318	14,205
Less:	Inter segment revenue	**384**	417	31	**801**	455	747
	Revenue	**2,742**	3,627	2,814	**6,369**	5,863	13,458
Add:	Other operating income	**46**	53	72	**99**	155	288
	Total revenue from operations	**2,788**	3,680	2,886	**6,468**	6,018	13,746
2	**Segment results (EBITDA)** [1]						
	Continuing operations						
(a)	Iron Ore	**10**	179	113	**189**	255	708
(b)	Steel	**73**	336	(59)	**409**	134	471
	Total segment results (EBITDA) from continuing operations (A)	**83**	515	54	**598**	389	1,179
	Discontinued operations						
(c)	Iron Ore*	**-**	10	14	**10**	37	89
	Total segment results (EBITDA) from discontinued operations (B)	**-**	10	14	**10**	37	89
	Total segment results (EBITDA) from continuing and discontinued operations (A+B)	**83**	525	68	**608**	426	1,268
3	**Depreciation, depletion and amortisation expense**						
	Continuing operations						
(a)	Iron Ore	**82**	95	56	**177**	115	241
(b)	Steel	**136**	130	148	**266**	288	560
	Total depreciation, depletion and amortisation expense from continuing operations (A)	**218**	225	204	**443**	403	801
	Discontinued operations						
(c)	Iron Ore*	**-**	-	-	**-**	-	-
	Total depreciation, depletion and amortisation expense from discontinued operations (B)	**-**	-	-	**-**	-	-
Less:	**Total depreciation, depletion and amortisation expense from continuing and discontinued operations (A+B)**	**218**	225	204	**443**	403	801
Add:	Other income, net of expenses	**23**	85	145	**108**	390	777
Less:	Finance costs	**171**	207	431	**378**	892	1,816
Add:	Share in loss of jointly controlled entity	**-**	-	(0)	**-**	(0)	(0)
	(Loss)/ profit before exceptional items and tax	**(283)**	178	(422)	**(105)**	(479)	(572)
Add:	Exceptional items (Refer note 6)	**(37)**	-	-	**(37)**	-	(1,534)
	(Loss)/ profit before tax	**(320)**	178	(422)	**(142)**	(479)	(2,106)
4	**Segment assets**						
	Continuing operations						
(a)	Iron Ore	**3,840**	3,949	4,370	**3,840**	4,370	3,497
(b)	Steel	**10,846**	10,559	10,530	**10,846**	10,530	10,224
	Total segment assets from continuing operations (A)	**14,686**	14,508	14,900	**14,686**	14,900	13,721
	Discontinued operations						
(c)	Iron Ore*	**-**	-	19	**-**	19	85
	Total segment assets from discontinued operations (B)	**-**	-	19	**-**	19	85
Add:	Unallocated (C)	**2,522**	2,947	4,746	**2,522**	4,746	5,586
	Total segment assets from continuing and discontinued operations (A+B+C)	**17,208**	17,455	19,665	**17,208**	19,665	19,392
5	**Segment liabilities**						
	Continuing operations						
(a)	Iron Ore	**3,009**	3,120	2,205	**3,009**	2,205	2,971
(b)	Steel	**4,141**	3,814	3,666	**4,141**	3,666	3,747
	Total segment liabilities from continuing operations (A)	**7,150**	6,934	5,871	**7,150**	5,871	6,718
	Discontinued operations						
(c)	Iron Ore*	**-**	-	33	**-**	33	37
	Total segment liabilities from discontinued operations (B)	**-**	-	33	**-**	33	37
Add:	Unallocated (C)	**4,087**	4,233	17,078	**4,087**	17,078	19,168
	Total segment liabilities from continuing and discontinued operations (A+B+C)	**11,237**	11,167	22,982	**11,237**	22,982	25,923

"0" represents amount less than ₹ 0.50 Crore

1) Earnings before interest, tax, depreciation and amortisation and exceptional items ("EBITDA") is a non-GAAP measure.

The continuing segments are:
(a) Iron ore, which consists of mining, processing and trading of Iron Ore including its logistics & marketing services.
(b) Steel, which consists of manufacturing of steel, DI pipes, pig iron and metallurgical coke.

*The discontinued operation is:
(a) Port Business Services at Visakhapatnam, which is presented as a part of Iron Ore Segment.

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

VEDANTA IRON AND STEEL LIMITED

vedanta iron & steel

Vedanta Iron And Steel Limited

CIN: L24109MH2023PLC411777

Regd. Office: C-103, Atul Projects - Corporate Avenue New Link, Chakala MIDC, Mumbai, 400093, Maharashtra, India

STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES AS AT 30 SEPTEMBER 2026

(₹ in Crore)

	Particulars	As at 30.09.2026 (Unaudited)	As at 31.03.2026 (Unaudited) (Refer Note 3)
A	**ASSETS**		
1	**Non-current assets**		
	(a) Property, Plant and Equipment	6,540	6,765
	(b) Capital work-in-progress	3,406	3,123
	(c) Intangible assets	454	484
	(d) Financial assets		
	(i) Loans	-	50
	(ii) Trade receivables	7	-
	(iii) Other financial assets	88	120
	(e) Deferred tax assets (net)	1,757	1,756
	(f) Income tax assets (net)	81	211
	(g) Other non-current assets	440	388
	Total non-current assets	12,773	12,897
2	**Current assets**		
	(a) Inventories	2,347	1,895
	(b) Financial assets		
	(i) Investments	88	327
	(ii) Trade receivables	212	298
	(iii) Cash and cash equivalents	242	1,044
	(iv) Other bank balances	183	229
	(v) Loans	1	1,629
	(vi) Derivatives	0	12
	(vii) Other financial assets	303	278
	(c) Other current assets	1,059	783
	Total current assets	4,435	6,495
	Total Assets	17,208	19,392
B	**EQUITY AND LIABILITIES**		
1	**Equity**		
	Equity share capital (Refer note 3)	391	0
	Other equity (Refer note 3 and 5)	5,452	(6,674)
	Equity attributable to owners of Vedanta Iron and Steel Limited	5,843	(6,674)
	Non-controlling interests	128	143
	Total equity	5,971	(6,531)
	Liabilities		
2	**Non-current liabilities**		
	(a) Financial liabilities		
	(i) Borrowings	1,597	2,113
	(ii) Lease liabilities	504	580
	(iii) Other financial liabilities	258	241
	(b) Provisions	301	301
	(c) Deferred tax liabilities (net)	98	100
	(d) Other non-current liabilities	47	35
	Total non-current liabilities	2,805	3,370
3	**Current liabilities**		
	(a) Financial liabilities		
	(i) Borrowings	2,014	11,998
	(ii) Lease liabilities	548	526
	(iii) Operational buyers' credit / suppliers' credit	2,211	2,110
	(iv) Trade payables	1,377	1,160
	(v) Other financial liabilities	1,340	5,707
	(b) Other current liabilities	490	610
	(c) Provisions	433	340
	(d) Income tax liabilities (net)	19	102
	Total current liabilities	8,432	22,553
	Total Equity and Liabilities	17,208	19,392

"0" represents amount less than ₹ 0.50 Crore

VEDANTA IRON AND STEEL LIMITED

vedanta iron & steel

Vedanta Iron And Steel Limited

CIN: L24109MH2023PLC411777

Regd. Office: C-103, Atul Projects - Corporate Avenue New Link, Chakala MIDC, Mumbai, 400093, Maharashtra, India

STATEMENT OF CONSOLIDATED CASH FLOWS FOR THE HALF YEAR ENDED 30 SEPTEMBER 2026

(₹ in Crore)

Particulars	Half year ended	
	30.09.2026 (Unaudited) (Refer Note 3)	30.09.2025 (Unaudited) (Refer Note 3)
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax from continuing operations	**(155)**	(531)
Profit before tax from discontinued operations	**13**	52
Loss before tax from continuing and discontinued operations	**(142)**	(479)
Adjustments for:		
Depreciation, depletion and amortisation	**443**	403
Interest expense	**374**	891
Interest income	**(97)**	(383)
Unrealised foreign exchange loss/ (gain) (net)	**12**	(7)
Fair value gain on financial assets held at fair value through profit or loss	**(6)**	(6)
Amortisation of deferred government grant	**(2)**	(3)
Allowance of impairment on financial and non-financial assets/ bad debts written off	**2**	2
(Gain)/ loss on sale/ discard of property, plant and equipment (net)	**(30)**	2
Liabilities written back	**(12)**	(20)
Unwinding of discount on decommissioning liability	**3**	1
Share based payment expense	**9**	6
Share in loss of jointly controlled entity	**-**	0
Operating profit before working capital changes	**554**	407
Changes in working capital		
Decrease/ (increase) in trade receivables and other assets	**56**	(127)
Increase in inventories	**(453)**	(67)
Increase/ (decrease) in trade payables and other liabilities	**478**	(777)
Increase in operational buyers' credit/ suppliers' credit	**100**	11
Cash flow generated from/ (used in) operations	**735**	(553)
Income taxes refunds/ (paid) (net)	**18**	(69)
Net cash flow generated from/ (used in) operating activities	**753**	(622)
CASH FLOWS FROM INVESTING ACTIVITES		
Purchases of property, plant and equipment (including intangibles, capital work-in-progress, capital advances and creditors)	**(331)**	(280)
Proceeds from sale of property, plant and equipment	**38**	0
Acquisition of business on slump sale basis (Refer note 3(b))	**0**	-
Bank deposits made	**(245)**	(146)
Proceeds from redemption of deposits	**206**	117
Purchase of short-term investments	**(2,182)**	(1,667)
Proceeds from sale of short-term investments	**2,427**	1,962
Loans given to related parties	**(2)**	-
Loans repaid by related parties	**1,334**	102
Interest received	**201**	364
Net cash flow generated from investing activities	**1,446**	452

VEDANTA IRON AND STEEL LIMITED

CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of share issue expenses	**(2)**	-
Proceeds/ (repayment) of short-term borrowings (net)	**5**	(18)
Proceeds from short-term borrowings	**1,500**	460
Repayment of short-term borrowings	**(1,467)**	(25)
Proceeds from long-term borrowings	**305**	134
Repayment of long-term borrowings	**(2,408)**	(462)
Interest paid	**(439)**	(464)
Borrowings repaid to related parties	**(11)**	(1)
Principal payment of lease liabilities	**(112)**	(72)
Interest payment of lease liabilities	**(42)**	(18)
Net cash flow used in financing activities	**(2,671)**	(466)
Effect of exchange rate changes on cash and cash equivalents	**9**	1
Net decrease in cash and cash equivalents	**(463)**	(635)
Cash and cash equivalents at the beginning of the period	**1,044**	393
Adjustment pursuant to the Scheme (Refer note 3)	**(339)**	609
Cash and cash equivalents at the end of the period	**242**	367

Notes :

a) The figures in parentheses indicate outflow.

b) 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.

c) Refer note 3 for details of cash flow from discontinued operations.

d) "0" represents amount less than ₹ 0.50 Crore



Notes:-

1 The above consolidated financial results of Vedanta Iron and Steel Limited ("the Company") and its subsidiaries (collectively referred to as "the Group") for the quarter and half year ended 30 September 2026 have been reviewed by the Audit and Risk Management Committee and approved by the Board of Directors at their respective meetings held on 27 October 2026. The statutory auditor of the Group has carried out a limited review of the aforesaid consolidated financial results in accordance with the applicable requirements and has issued an unmodified conclusion thereon.

2 These consolidated financial results have been prepared in accordance with the Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and in compliance with Regulation 33 of the Listing Regulations.

3 a) The Hon'ble National Company Law Tribunal, Mumbai Bench, vide its Order dated 16 December 2025, approved the Scheme of Arrangement inter-alia amongst Vedanta Limited, the Company and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Scheme"), providing for the demerger of the Iron Ore Undertaking of Vedanta Limited ("Demerged Undertaking") into the Company on a going concern basis.

The Scheme became effective on 1 May 2026 ("effective date"), which is also the Appointed Date of the Scheme. Consequent to the scheme becoming effective, the Demerged Undertaking was transferred to and vested in the Company and has been accounted for in accordance with the accounting treatment prescribed under the Scheme and the applicable provisions of Ind AS.

Pursuant to the Scheme, the Company approved allotment of 391,03,88,057 equity shares of face value of ₹ 1 each to the eligible shareholders of Vedanta Limited in accordance with the Share Entitlement Ratio on 4 May 2026, and the Company ceased to be a subsidiary of Vedanta Limited.

In accordance with the accounting treatment prescribed under the Scheme and the applicable provisions of Ind AS, the comparative financial results and other financial information of the Group for the quarter and half year ended 30 September 2025 and year ended 31 March 2026 includes unaudited interim financial results and other financial information of Iron Ore Undertaking transferred to the Group pursuant to the Scheme as extracted from the books of account underlying the financial results of Vedanta Limited (the "Demerged company") for those respective periods, which were subjected to limited review / audit by the auditors of Vedanta Limited to give impact of the Scheme.

Further, "adjustment pursuant to the Scheme" appearing in the Statement of Consolidated Cash flows represents the aggregate impact of accounting adjustments arising from the demerger, including consequential realignment of assets, liabilities, income and expenses in accordance with the provisions of the Scheme.

b) The Group has entered into a Business Transfer Agreement dated 30 April 2026 with MALCO Energy Limited ("MALCO", a fellow subsidiary) for the purchase of MetCoke business, comprising its respective assets and liabilities, as a going concern on a slump sale basis. Accordingly, MALCO has transferred the assets and liabilities at their carrying values as at 30 April 2026 to the Company for a consideration of ₹ 1. The book net worth of the MetCoke business was ₹ (299) Crore (negative net worth) and the difference of ₹ 299 Crore between the consideration and the net worth has been recognised in capital reserve. In accordance with Appendix C, Business Combinations of Entities under Common Control, to Ind AS 103, Business Combinations, the transaction has been accounted for using the pooling of interests method. Accordingly, the figures for the quarters and half year ended 30 September 2025, year ended 31 March 2026, quarter ended 30 June 2026 and half year ended 30 September 2026 have been re-presented/ re-computed to include the MetCoke business as if the transaction had occurred from 01 April 2025 (being the beginning of the earliest period presented).

c) Sesa Mining Corporation Limited ("SMCL", a wholly owned subsidiary of the Company) has entered into a Business Transfer Agreement dated 30 April 2026 with Vedanta Base Metals Limited ("VBML", a subsidiary of Vedanta Limited) to hive-off the Group's Port Business at Visakhapatnam to VBML as a going concern on slump sale basis with effect from 30 April 2026. Accordingly, the Group has disclosed the Port Business as discontinued operations in the consolidated financial results and all previous period figures in the consolidated financial results have also been re-presented/ re-computed.

In accordance with the above, the Group has transferred the assets and liabilities at their carrying values as at 30 April 2026 of ₹ 452 Crore. The consideration for the said transaction was settled as part of the overall Scheme (Refer note 3(a) above) and accordingly no separate gain or loss has been recognized.

Brief particulars of the Discontinued Operations are given as under:

(A) Profit from Discontinued Operations
Port Business - Visakhapatnam (Net of inter segment transactions)

(₹ in Crore)

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2026 (Unaudited)	30.06.2026 (Unaudited) (Refer Note 3)	30.09.2025 (Unaudited) (Refer Note 3)	30.09.2026 (Unaudited) (Refer Note 3)	30.09.2025 (Unaudited) (Refer Note 3)	31.03.2026 (Unaudited) (Refer Note 3)
Revenue from operations	-	18	28	18	65	159
Total income	-	21	36	21	80	189
Total expenses	-	8	15	8	28	70
Profit before tax from Discontinued Operations	-	**13**	**21**	**13**	**52**	**119**
Net tax expense	-	3	4	3	13	56
Profit after tax from Discontinued Operations	-	**10**	**17**	**10**	**39**	**63**

(B) Net cash flows from Discontinued Operations:

(₹ in Crore)

Particulars	Half year ended	
	30.09.2026 (Unaudited) (Refer Note 3)	30.09.2025 (Unaudited) (Refer Note 3)
Net cash flow (used in)/ generated from operating activities	**(81)**	15
Net cash flow generated from/ (used in) investing activities	**84**	(4)
Net cash flow (used in)/ generated from financing activities	-	-

4 ESL Steel Limited ("ESL"), a subsidiary of the Company, had filed application for renewal of Consent to Operate ("CTO") on 24 August 2017 for a period of five years which was denied by Jharkhand State Pollution Control Board ("JSPCB") on 23 August 2018, as JSPCB awaited response from the Ministry of Environment, Forest and Climate Change ("MoEFCC") over a 2012 show-cause notice. After a personal hearing towards the show cause notice, the MoEFCC revoked the Environment Clearance ("EC") on 20 September 2018. Subsequently, ESL filed a petition in the Hon'ble Supreme Court, and on 22 September 2020, ESL was granted permission to run the plant till further orders.

VEDANTA IRON AND STEEL LIMITED

The Forest Advisory Committee ("FAC") of the MoEFCC granted the Stage 1 clearance and the MoEFCC approved the related Terms of Reference ("TOR") on 25 August 2020. Subsequently, vide letter dated 25 August 2021, the MoEFCC rejected the EC "as of now" due to stay granted by Madras High Court vide order dated 15 July 2021 in a Public Interest Litigation filed against the Standard Operating Procedure which was issued by the MoEFCC for regularization of violation case on 07 July 2021.

The Hon'ble Supreme Court vide order dated 09 December 2021 decided the matter by directing the MoEFCC to process the EC application of ESL as per the applicable law within a period of three months. The MoEFCC vide its letter dated 02 February 2022 has deferred the grant of EC till Forest Clearance ("FC") Stage-II is granted to ESL.

ESL has submitted its reply against the MoEFCC letter vide letter dated 11 February 2022 for reconsidering the decision of linking EC with FC as the grant of FC Stage II is not a condition precedent for grant of EC.

On 05 June 2023, the MoEFCC revoked the FC Stage-I against which ESL has written a letter for reconsideration. Against the revocation, the State Government of Jharkhand has also submitted its request letter to the MoEFCC to reconsider its decision and grant some more time. Referring to the State's letter, the MoEFCC has issued a letter dated 18 August 2023 to the Principal Secretary (Forest), Jharkhand to submit the compliance status report, which was submitted on 17 November 2023 with positive remarks. In the pending High Court case, while considering the fact that modalities are being worked out between the State government, the MoEFCC and ESL, the High Court, vide it's order dated 01 May 2025 has set aside the revocation of EC on the ground of natural justice and remanded the matter back to MoEFCC for the fresh hearing within a specified period on the show cause notice issued earlier by them in connection thereof and directed that ESL can continue with its operation subject to final decision of MoEFCC, under the supervision of JPSCB.

MoEFCC pursuant to the order of Hon'ble High Court of Jharkhand as stated above on continuation of it's first hearing on 26 May 2025 issued direction to all the stakeholders to share the relevant documents and a joint inspection of the Steel plant was conducted on 12 June 2025 by MoEFCC and JSPCB and report thereof has been submitted. Subsequently, the second hearing has been held on 28 August 2025 whereby all the parties have submitted their representations. ESL's preliminary response and submission on the examination report of the hearing as received from the Joint Secretary, MoEFCC have been submitted. The policy with respect to penalty for Compensatory Afforestation ("CA") land in case of violation has been issued by MoEFCC on 21 January 2026, implication of which in case of ESL is being examined since the same deals with non-compliance after 12 December 1996. Further, based on the recommendation of FAC, MoEFCC has since granted on 17 April 2026 in-principle approval of FC Stage I to ESL. On receipt of FC and EC, application for obtaining Consent to Establish ("CTE") and then CTO will be made by ESL.

5 During the FY 2015-16, Fujairah Gold FZE ("Fujairah"), a group company, had extended a loan of USD 900 Million to Twin Star Mauritius Holdings Limited ("TSMHL"), an erstwhile group company, which was subsequently assigned to Bloom Fountain Limited ("BFL"), a subsidiary of the Company, via a tripartite assignment agreement on 22 March 2018. Additionally, THL Zinc Limited ("THZL"), a group company, had extended a loan facility of USD 3.6 Million to BFL pursuant to a loan agreement dated 01 December 2014. As on 30 April 2026, the aggregate outstanding debt comprising principal, accrued interest and other payables remained unpaid by BFL to Fujairah and THZL respectively. Considering the financial position of BFL, and restructuring pursuant to the Scheme, both Fujairah and THZL have irrevocably waived and released BFL from their respective outstanding debts effective 30 April 2026, with no consideration payable, and all rights and obligations of all parties stand fully extinguished and discharged.
Consequent to the above waivers, the total outstanding debt comprising principal, accrued interest and other payables of ₹ 13,138 crores has been written back in the books of BFL and transferred to Capital Reserve.

6 Exceptional items (net of tax):

(₹ in Crore)

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2026 (Unaudited)	30.06.2026 (Unaudited) (Refer Note 3)	30.09.2025 (Unaudited) (Refer Note 3)	30.09.2026 (Unaudited) (Refer Note 3)	30.09.2025 (Unaudited) (Refer Note 3)	31.03.2026 (Unaudited) (Refer Note 3)
Property, Plant and Equipment ("PPE"), Capital work-in-progress ("CWIP"), Inventories and other assets written off or impaired	-	-	-	-	-	(1,471)
Provision against electricity duty	-	-	-	-	-	(41)
Statutory impact of new Labour Codes	-	-	-	-	-	(22)
Stamp duty fees on transfer of land, building and mining rights [a]	(37)	-	-	(37)	-	-
Exceptional items	**(37)**	-	-	**(37)**	-	**(1,534)**
Current tax benefit on above	2	-	-	2	-	3
Net deferred tax benefit on above	7	-	-	7	-	17
Exceptional items (net of tax) (A)	**(28)**	-	-	**(28)**	-	**(1,514)**
Less: Non-controlling interest on above (B)	-	-	-	-	-	3
Exceptional items, net of tax and non-controlling interest (A+B)	**(28)**	-	-	**(28)**	-	**(1,511)**

a) This represents stamp duty paid and management's estimate of stamp duty payable to various authorities for registration of the transfer of land, buildings and mining rights acquired under the Scheme (Refer note 3 above).

7 Earnings per share, basic and diluted, has been computed after giving effect to the equity shares issued pursuant to the Scheme, as if such shares had been issued at the beginning of the earliest period presented (Refer note 3 above).

By Order of the Board

Pankaj Kumar Sharma
Whole-Time Director & CEO

Place: Goa
Date: 27 October 2026

VEDANTA IRON AND STEEL LIMITED