

Date: August 11, 2023

BSE Limited

Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai 400 001
E-mail: corp.relations@bseindia.com

National Stock Exchange of India Limited

Exchange Plaza,
Bandra-Kurla-Complex, Bandra (East)
Mumbai – 400 051
Email: takeover@nse.co.in

Hindustan Zinc Limited

Yashad Bhawan, Yashadgarh
Udaipur, Rajasthan – 313 004
E-mail: hzlsecretarial@vedanta.co.in

Dear Sir/ Madam,

Subject: Disclosure under Regulation 31 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (“Takeover Regulations”)

This letter is in reference to the email(s) received from the stock exchange(s) seeking clarification(s) on the earlier disclosure dated August 01, 2023 made by Vedanta Limited (the “Company”) in relation to the encumbrance which has been created over the equity shares of Hindustan Zinc Limited (“HZL”), a subsidiary of the Company. In this regard, please be noted that:

A Facility Agreement dated May 22, 2023, as amended from time to time (hereinafter referred as “Facility Agreement”) has been executed by one of Company’s subsidiaries. The Company is one of the guarantors and security providers for the Facility Agreement. The Facility Agreement was earlier executed with Hope XI Investments Pte. Ltd. acting as the agent for the benefit of the finance parties.

As per the terms and conditions of the Facility Agreement (“T&Cs”), the Company being the guarantor, is required to directly or indirectly hold at least 50.1% of the entire issued share capital of or voting rights in HZL and directly or indirectly control HZL.

Given the nature of the conditions under the T&Cs, one or more conditions are likely to fall within the definition of the term “encumbrance” provided under Chapter V of the Takeover Regulations.

In relation to the above, the Company had, on May 24, 2023, made the disclosures under Regulation 31 of the Takeover Regulations.

Further, in connection with the Facility Agreement, the Company had created pledge on certain shares of HZL through depository system on May 22, 2023 in favour of Axis Trustee Services Limited (“ATSL”) acting as the Onshore Security Agent. Refer the disclosure dated May 24, 2023 made by ATSL in this regard. The pledge had been created through depository system on May 22, 2023, hence separate disclosure under Regulation 31(1) of Takeover Regulations had not been filed for creation of pledge by the Company pursuant to the proviso mentioned under Regulation 31(1) of the Takeover Regulations.

The Facility Agreement has been amended and Citicorp International Limited has been appointed as the successor agent with effect from July 28, 2023 for the benefit of the finance parties in place of Hope XI Investments Pte. Ltd.

VEDANTA LIMITED

REGISTERED OFFICE: Vedanta Limited, 1st Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East), Mumbai – 400093, Maharashtra, India | T +91 22 6643 4500 | F +91 22 6643 4530

CIN: L13209MH1965PLC291394



In view of the above, the disclosure dated August 01, 2023 had been made by the Company under the Securities and Exchange Board of India's ("SEBI") Master circular dated February 16, 2023 bearing reference no. SEBI/HO/CFD/PoD-1/P/CIR/2023/31. The disclosure dated August 01, 2023 was in continuation to the disclosure made by the Company on May 24, 2023.

In response to the clarification(s) sought by the stock exchange(s), the revised disclosure is now being made under Regulation 31 of Takeover Regulations.

Kindly take the above on record.

Thanking you

Yours faithfully

For and on behalf of **Vedanta Limited**

Prerna Halwasiya
Company Secretary & Compliance Officer

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CIN: L132O9MH1965PLC291394

ANNEXURE – 1

Disclosure by the Promoters to the stock exchanges and to the Target Company for encumbrance of shares /invocation of encumbrance/ release of encumbrance, in terms of Regulations 31(1) and 31(2) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011														
Name of the Target Company (TC)							Hindustan Zinc Limited							
Names of the stock exchanges where the shares of the target company are listed							BSE Limited and National Stock Exchange of India Limited							
Date of reporting							August 01, 2023							
Names of the promoters or PAC on whose shares encumbrance has been created/ released/ invoked							VEDANTA LIMITED							
Details of the creation of encumbrance:														
Name of the promoter(s) or PACs with him*	Promoter holding in the target company (1)		Promoter holding already encumbered (2)		Details of events pertaining to encumbrance (3)								Post event holding of encumbered shares {creation [(2)+(3)]/ release [(2)-(3)]/ invocation [(1)-(3)] } ⁽²⁾	
	Number	% of total share capital	Number	% of total share capital	Type of event (creation / release/ invocation)	Date of creation/ release/ invocation of encumbrance	Type of encumbrance (pledge/ lien/ non disposal undertaking/ others)	Reasons for encumbrance**	Number	% of share capital	Name of the entity in whose favour shares encumbered ***	Number	% of total share capital	
Vedanta Limited	2,74,31,54,310	64.92	2,586,523,625 ⁽¹⁾	61.21 ⁽¹⁾ (Refer Note)	Creation	Date of creation: May 22, 2023 Date of Agency Transfer: July 28, 2023	Others. Please refer to the Note below.	Please refer to the Note below.	2,116,884,819	50.10	Citicorp International Limited (as successor Agent) on behalf of lenders in place of Hope XI Investments Pte. Ltd. (Refer Note)	2,116,884,819	50.10	
Total	2,74,31,54,310	64.92	2,586,523,625	61.21	-	-	-	-	2,116,884,819	50.10	-	2,116,884,819	50.10	

Note:

A Facility Agreement dated May 22, 2023, as amended from time to time (hereinafter referred as “**Facility Agreement**”) has been executed by one of Vedanta Limited’s (“**Company**”) subsidiaries. The Company is one of the guarantors and security providers for the Facility Agreement. The Facility Agreement was earlier executed with Hope XI Investments Pte. Ltd. acting as the agent for the benefit of the finance parties.

As per the terms and conditions of the Facility Agreement (“**T&Cs**”), the Company being the guarantor, is required to directly or indirectly hold at least 50.1% of the entire issued share capital of or voting rights in Hindustan Zinc Limited (“**HZL**”) i.e. 2,116,884,819 shares representing 50.1% of the Listed Capital of HZL and directly or indirectly control HZL.

Given the nature of the conditions under the T&Cs, one or more conditions are likely to fall within the definition of the term “encumbrance” provided under Chapter V of the Takeover Regulations.

In relation to the above, the Company had, on May 24, 2023, made the disclosures under Regulation 31 of the Takeover Regulations.

Further, in connection with the Facility Agreement, the Company had created pledge on certain shares of HZL through depository system on May 22, 2023 in favour of Axis Trustee Services Limited (“ATSL”) acting as the Onshore Security Agent. Refer the disclosure dated May 24, 2023 made by ATSL in this regard. The pledge had been created through depository system on May 22, 2023, hence separate disclosure under Regulation 31(1) of Takeover Regulations had not been filed for creation of pledge by the Company pursuant to the proviso mentioned under Regulation 31(1) of the Takeover Regulations.

The Facility Agreement has been amended and Citicorp International Limited has been appointed as the successor agent with effect from July 28, 2023 for the benefit of the finance parties in place of Hope XI Investments Pte. Ltd.

In view of the above, the disclosure dated August 01, 2023 had been made by the Company under the Securities and Exchange Board of India’s (“SEBI”) Master circular dated February 16, 2023 bearing reference no. SEBI/HO/CFD/PoD-1/P/CIR/2023/31. This disclosure was in continuation to the disclosure made by the Company on May 24, 2023.

In response to the clarification sought by the stock exchange(s), the revised disclosure is now being made under Regulation 31 of Takeover Regulations.

⁽¹⁾Since this disclosure is being made to intimate only change of Agent, hence, the “Promoter holding already encumbered” has been considered as on the date of creation of encumbrance i.e., May 22, 2023.

⁽²⁾There are various existing encumbrances including encumbrances by way of pledge and non-disposal undertaking on holding in HZL created through depository system for facilities entered by the Company, for which disclosures have been filed from time to time. The current encumbrance on 50.1% has been created due to the nature of the conditions and arrangements under the Facility Agreement i.e., the Company is required to directly or indirectly hold at least 50.1% of the entire issued share capital of or voting rights in HZL and directly or indirectly control HZL. Considering that the current encumbrance (50.10%) is based on the aforesaid T&Cs, the “Post event holding of encumbered shares” shall not aggregate to the sum of “Promoter holding already encumbered” and “Details of events pertaining to encumbrance”.

**Signature of the Authorized Signatory
For and on behalf of Vedanta Limited**

Place: New Delhi

Date: August 11, 2023

*The names of all the promoters, their shareholding in the target company and their pledged shareholding as on the reporting date should appear in the table irrespective of whether they are reporting on the date of event or not.

** For example, for the purpose of collateral for loans taken by the company, personal borrowing, third party pledge, etc.

***This would include name of both the lender and the trustee who may hold shares directly or on behalf of the lender.

ANNEXURE - II

Format for disclosure of reasons for encumbrance

Name of listed company	Hindustan Zinc Limited
Name of the recognised stock exchanges where the shares of the company are listed	BSE Limited and National Stock Exchange of India Limited
Name of the promoter(s) / PACs whose shares have been encumbered	Vedanta Limited
Total promoter shareholding in the listed company	No. of shares: 2,74,31,54,310 % of total share capital: 64.92%
Encumbered shares as a % of promoter shareholding	99.37% (This represents aggregate of Encumbrance 1 to 7)
Whether encumbered share is 50% or more of promoter shareholding	YES / NO
Whether encumbered share is 20% or more of total share capital	YES / NO

DETAILS OF ALL THE EXISTING EVENTS/ AGREEMENTS PERTAINING TO ENCUMBRANCE

		Encumbrance 1 (Date of creation of encumbrance: March 30, 2022)	Encumbrance 2 (Date of creation of encumbrance: May 23, 2022)	Encumbrance 3 (Date of creation of encumbrance: December 05, 2022)	Encumbrance 4 (Date of creation of encumbrance: April 17, 2023)	Encumbrance 5 (Date of creation of encumbrance: April 28, 2023)	Encumbrance 6 & 7 (Date of creation of encumbrance: May 22, 2023) (Date of Agency Transfer: July 28, 2023)
Type of encumbrance (pledge, lien, negative lien, non-disposal undertaking etc. or any other covenant, transaction, condition or arrangement in the nature of encumbrance)		Pledge	Non-Disposal Undertaking	Pledge	Pledge	Pledge	Refer Note
No. and % of shares encumbered		No. of shares: 243,609,285 % of total share capital: 5.77%	No. of shares: 2,116,884,819 % of total share capital: 50.10%	No. of shares: 42,253,190 % of total share capital: 1%	No. of shares: 10,32,37,916 % of total share capital: 2.44%	No. of shares: 8,05,38,415 % of total share capital: 1.91%	Refer Note
Specific details about the encumbrance	Name of the entity in whose favour shares encumbered (X)	SBICAP Trustee Company Limited	SBICAP Trustee Company Limited	SBICAP Trustee Company Limited	Axis Trustee Services Limited (as Facility Agent)	Axis Trustee Services Limited (as Facility Agent)	Axis Trustee Services Limited (as Onshore Security Agent) and Citicorp International Limited (as successor Agent in place of Hope XI Investments Pte. Ltd.).
	Whether the entity X is a scheduled commercial bank, public financial institution, NBFC or housing finance company? If No, provide the nature of the business of the entity.	YES /NO Trusteeship services	YES /NO Trusteeship services	YES /NO Trusteeship services	YES /NO Trusteeship services	YES /NO Trusteeship services	YES /NO Trusteeship services and agency services

	Names of all other entities in the agreement	Vedanta Limited as Borrower and Union Bank of India as Lender	Vedanta Limited as Borrower and Union Bank of India as Lender	Vedanta Limited as Borrower and Union Bank of India as Lender	Vedanta Limited as Borrower and Axis Trustee Services Limited (as Facility Agent)	Vedanta Limited as Borrower and Axis Trustee Services Limited (as Facility Agent)	Listed company and its group companies (if any) Other entities (if any)- Refer Note
	Whether the encumbrance is relating to any debt instruments viz. debenture, commercial paper, certificate of deposit etc.? If yes, provide details about the instrument, including credit rating	YES-/ NO If yes, 1. Name of the issuer: 2. Details of the debt instrument: 3. Whether the debt instrument is listed on stock exchanges?: 4. Credit Rating of the debt instrument: 5. ISIN of the instrument:	YES-/ NO If yes, 1. Name of the issuer: 2. Details of the debt instrument: 3. Whether the debt instrument is listed on stock exchanges?: 4. Credit Rating of the debt instrument: 5. ISIN of the instrument:	YES-/ NO If yes, 1. Name of the issuer: 2. Details of the debt instrument: 3. Whether the debt instrument is listed on stock exchanges?: 4. Credit Rating of the debt instrument: 5. ISIN of the instrument:	YES-/ NO If yes, 1. Name of the issuer: 2. Details of the debt instrument: 3. Whether the debt instrument is listed on stock exchanges?: 4. Credit Rating of the debt instrument: 5. ISIN of the instrument:	YES-/ NO If yes, 1. Name of the issuer: 2. Details of the debt instrument: 3. Whether the debt instrument is listed on stock exchanges?: 4. Credit Rating of the debt instrument: 5. ISIN of the instrument:	YES-/ NO If yes, 1. Name of the issuer: 2. Details of the debt instrument: 3. Whether the debt instrument is listed on stock exchanges?: 4. Credit Rating of the debt instrument: 5. ISIN of the instrument:
Security Cover / Asset Cover	Value of shares on the date of event / agreement (A)	80,000,000,000	80,000,000,000	80,000,000,000	33,000,000,000	25,190,000,000	N/A
	Amount involved (against which shares have been encumbered) (B)	80,000,000,000	80,000,000,000	80,000,000,000	15,000,000,000	11,000,000,000	N/A
	Ratio of A / B	1.0	1.0	1.0	2.2	2.29	N/A
End money use of	Borrowed amount to be utilized for what purpose – (a) Personal use by promoters and PACs (b) For the benefit of listed company Provide details including amount, purpose of raising money by listed company, schedule for utilization of amount, repayment schedule etc. (c) Any other reason (please specify)	No No Purpose – Takeover of existing syndicated term loan facility of Rs.10000 Cr	No No Purpose – Takeover of existing syndicated term loan facility of Rs.10000 Cr	No No Purpose – Takeover of existing syndicated term loan facility of Rs.10000 Cr	No No Purpose – General business purposes including repayment of existing debt, capital expenditures and operating expenses	No No Purpose – Long-term working capital of the Borrower and fees, costs and expenses relating to the Facility	No No Purpose – In connection with facility agreement dated May 22, 2023 and subsequent Agency Transfer dated July 28, 2023. Refer Notes.

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Given the nature of the conditions under the T&Cs, one or more conditions are likely to fall within the definition of the term “encumbrance” provided under Chapter V of the Takeover Regulations.

In relation to the above, the Company had, on May 24, 2023, made the disclosures under Regulation 31 of the Takeover Regulations.

Further, in connection with the Facility Agreement, the Company had created pledge on certain shares of HZL through depository system on May 22, 2023 in favour of Axis Trustee Services Limited (“**ATSL**”) acting as the Onshore Security Agent. Refer the disclosure dated May 24, 2023 made by ATSL in this regard. The pledge had been created through depository system on May 22, 2023, hence separate disclosure under Regulation 31(1) of Takeover Regulations had not been filed for creation of pledge by Company pursuant to the proviso mentioned under the Regulation 31(1) of Takeover Regulation i.e. 139,435,527 equity shares representing 3.30% of the Listed Capital of HZL.

The Facility Agreement has been amended and Citicorp International Limited has been appointed as the successor agent with effect from July 28, 2023 for the benefit of the finance parties in place of Hope XI Investments Pte. Ltd.

In view of the above, the disclosure dated August 01, 2023 has been made by the Company under the Securities and Exchange Board of India’s (“**SEBI**”) Master circular dated February 16, 2023 bearing reference no. SEBI/HO/CFD/PoD-1/P/CIR/2023/31. The disclosure dated August 01, 2023 was in continuation to the disclosure made by the Company on May 24, 2023.

In response to the clarification(s) sought by the stock exchange(s), this revised disclosure is now being made under Regulation 31 of Takeover Regulations.

**Signature of the Authorized Signatory
For and on behalf of Vedanta Limited**

Place: New Delhi

Date: August 11, 2023