

Date: August 24, 2023

**BSE Limited**

Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai 400 001  
E-mail: [corp.relations@bseindia.com](mailto: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](mailto:takeover@nse.co.in)

**Hindustan Zinc Limited**

Yashad Bhawan, Yashadgarh  
Udaipur, Rajasthan – 313 004  
E-mail: [hzlsecretarial@vedanta.co.in](mailto: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 disclosure is being made by Vedanta Limited (the “Company”) in relation to creation of encumbrance over the equity shares of Hindustan Zinc Limited (“HZL”), a subsidiary of the Company.

A Facility Agreement dated May 22, 2023, as amended from time to time (hereinafter referred as “Facility Agreement”) had been executed by one of Company’s subsidiaries. The Company is one of the guarantors and security providers for the said Facility Agreement.

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 were likely to fall within the definition of the term “encumbrance” provided under Chapter V of the Takeover Regulations.

In respect of the encumbrance created on 50.1% of the listed capital of HZL, we had already filed the reason for encumbrance on May 24, 2023.

Thereafter, Citicorp International Limited was 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. and the Company had made a disclosure in relation to the transfer of the agent under the agency deed on August 01, 2023. Further, in response to certain clarification(s) sought by the stock exchange(s), the Company had filed a revised supplemental disclosure on August 11, 2023.

In connection with the said Facility Agreement, the Company had created pledge on 139,435,527 equity shares representing 3.30% of the listed capital of HZL in favour of Axis Trustee Services Limited. The pledge had been created through depository system on May 22, 2023, hence separate disclosure under Regulation 31(1) of Takeover Regulations was not filed for creation of pledge by the Company pursuant to the proviso mentioned under the Regulation 31(1) of Takeover Regulations. In respect of the pledge created on 3.30% of the listed capital of HZL, we had filed the reason for encumbrance on May 24, 2023.

**VEDANTA LIMITED**

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> 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



As per the terms agreed between the parties under the Facility Agreement, the aforesaid pledge has now been released on August 21, 2023 and re-created on August 22, 2023, through the depository system. Hence, separate disclosure under Regulation 31(1) of Takeover Regulations is not being filed for such release and re-creation of pledge by the Company pursuant to the proviso mentioned under Regulation 31(1) of the Takeover Regulations.

In view of the pledge being re-created over 139,435,527 equity shares representing 3.30% of the listed capital of HZL on August 22, 2023, the Company is filing the enclosed disclosure of "Reasons of encumbrance" in accordance with 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.

Kindly take the above on record.

Thanking you

Yours faithfully

For and on behalf of **Vedanta Limited**

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**Perna Halwasiya**  
**Company Secretary & Compliance Officer**

**VEDANTA LIMITED**

**REGISTERED OFFICE:** Vedanta Limited, 1<sup>st</sup> 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

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**ANNEXURE - II**

**Format for disclosure of reasons for encumbrance**

(In addition to Annexure - I prescribed by way of circular dated August 05, 2015)

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 / <del>NO</del>
Whether encumbered share is 20% or more of total share capital	YES / <del>NO</del>

**DETAILS OF ALL THE EXISTING EVENTS/ AGREEMENTS PERTAINING TO ENCUMBRANCE**

		<b>Encumbrance 1</b> (Date of creation of encumbrance: March 30, 2022)	<b>Encumbrance 2</b> (Date of creation of encumbrance: May 23, 2022)	<b>Encumbrance 3</b> (Date of creation of encumbrance: December 5, 2022)	<b>Encumbrance 4</b> (Date of creation of encumbrance: April 17, 2023)	<b>Encumbrance 5</b> (Date of creation of encumbrance: April 28, 2023)	<b>Encumbrance 6</b> (Date of creation of encumbrance: May 22, 2023) (Date of Agency Transfer: July 28, 2023)	<b>Encumbrance 7</b> (Date of creation of encumbrance: May 22, 2023 Date of release of encumbrance: August 21, 2023 Date of re-creation of encumbrance: August 22, 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 <b>Note</b>	Pledge
No. and % of shares encumbered		No. of shares: 24,36,09,285 % of total share capital: 5.77%	No. of shares: 2,11,68,84,819 % of total share capital: 50.10%	No. of shares: 4,22,53,190 % 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%	No. of shares: 2,11,68,84,819 % of total share capital: 50.10%	No. of shares: 13,94,35,527 % of total share capital: 3.30%
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)	Citicorp International Limited (as successor Agent in place of Hope XI Investments Pte. Ltd.)	Axis Trustee Services Limited (as Onshore Security Agent)
	Whether the entity X is a scheduled commercial bank, public financial institution, NBFC	<del>YES</del> /NO Trusteeship services	<del>YES</del> /NO Trusteeship services	<del>YES</del> /NO Trusteeship services	<del>YES</del> /NO Trusteeship services	<del>YES</del> /NO Trusteeship services	<del>YES</del> /NO Agency services	<del>YES</del> /NO Trusteeship services

		<b>Encumbrance 1</b> (Date of creation of encumbrance: March 30, 2022)	<b>Encumbrance 2</b> (Date of creation of encumbrance: May 23, 2022)	<b>Encumbrance 3</b> (Date of creation of encumbrance: December 5, 2022)	<b>Encumbrance 4</b> (Date of creation of encumbrance: April 17, 2023)	<b>Encumbrance 5</b> (Date of creation of encumbrance: April 28, 2023)	<b>Encumbrance 6</b> (Date of creation of encumbrance: May 22, 2023) (Date of Agency Transfer: July 28, 2023)	<b>Encumbrance 7</b> (Date of creation of encumbrance: May 22, 2023) (Date of release of encumbrance: August 21, 2023) (Date of re-creation of encumbrance: August 22, 2023)
	or housing finance company? If No, provide the nature of the business of the entity.							
	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)-  <b>Refer Note</b>	Listed company and its group companies (if any)  Other entities (if any)-  <b>Refer Note</b>
	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	<b>YES-/ NO</b> If yes, <b>1. Name of the issuer:</b> <b>2. Details of the debt instrument:</b> <b>3. Whether the debt instrument is listed on stock exchanges?:</b> <b>4. Credit Rating of the debt instrument:</b> <b>5. ISIN of the instrument:</b>	<b>YES-/ NO</b> If yes, <b>1. Name of the issuer:</b> <b>2. Details of the debt instrument:</b> <b>3. Whether the debt instrument is listed on stock exchanges?:</b> <b>4. Credit Rating of the debt instrument:</b> <b>5. ISIN of the instrument:</b>	<b>YES-/ NO</b> If yes, <b>1. Name of the issuer:</b> <b>2. Details of the debt instrument:</b> <b>3. Whether the debt instrument is listed on stock exchanges?:</b> <b>4. Credit Rating of the debt instrument:</b> <b>5. ISIN of the instrument:</b>	<b>YES-/ NO</b> If yes, <b>1. Name of the issuer:</b> <b>2. Details of the debt instrument:</b> <b>3. Whether the debt instrument is listed on stock exchanges?:</b> <b>4. Credit Rating of the debt instrument:</b> <b>5. ISIN of the instrument:</b>	<b>YES-/ NO</b> If yes, <b>1. Name of the issuer:</b> <b>2. Details of the debt instrument:</b> <b>3. Whether the debt instrument is listed on stock exchanges?:</b> <b>4. Credit Rating of the debt instrument:</b> <b>5. ISIN of the instrument:</b>	<b>YES-/ NO</b> If yes, <b>1. Name of the issuer:</b> <b>2. Details of the debt instrument:</b> <b>3. Whether the debt instrument is listed on stock exchanges?:</b> <b>4. Credit Rating of the debt instrument:</b> <b>5. ISIN of the instrument:</b>	<b>YES-/ NO</b> If yes, <b>1. Name of the issuer:</b> <b>2. Details of the debt instrument:</b> <b>3. Whether the debt instrument is listed on stock exchanges?:</b> <b>4. Credit Rating of the debt instrument:</b> <b>5. ISIN of the instrument:</b>
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	N/A
	Amount involved (against which shares have been	80,000,000,000	80,000,000,000	80,000,000,000	15,000,000,000	11,000,000,000	N/A	N/A

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	encumbered) (B)							
	Ratio of A / B	1.0	1.0	1.0	2.2	2.29	N/A	N/A
End use of money	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 <sup>3</sup> 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, as amended from time to time and subsequent Agency Transfer dated July 28, 2023. Refer <b>Notes</b> .	No  No  Purpose – in connection with facility agreement dated May 22, 2023, as amended from time to time. Refer <b>Notes</b> .

**Note:**

A Facility Agreement dated May 22, 2023, as amended from time to time (hereinafter referred as “Facility Agreement”) had been executed by one of **Company’s** subsidiaries. The Company is one of the guarantors and security providers for the said Facility Agreement.

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 were likely to fall within the definition of the term “encumbrance” provided under Chapter V of the Takeover Regulations. In respect of the encumbrance created on 50.1% of the listed capital of HZL, we had already filed the reason for encumbrance on May 24, 2023.*

*Thereafter, Citicorp International Limited was 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. and the Company had made a disclosure in relation to the transfer of the agent under the agency deed on August 01, 2023. Further, in response to certain clarification(s) sought by the stock exchange(s), the Company had filed a revised supplemental disclosure on August 11, 2023.*

*In connection with the said Facility Agreement, the Company had created pledge on 139,435,527 equity shares representing 3.30% of the listed capital of HZL in favour of Axis Trustee Services Limited. The pledge had been created through depository system on May 22, 2023, hence separate disclosure under Regulation 31(1) of Takeover Regulations was not filed for creation of pledge by Company pursuant to the proviso mentioned under the Regulation 31(1) of Takeover Regulations. In respect of the pledge created on 3.30% of the listed capital of HZL, we had filed the reason for encumbrance on May 24, 2023*

*As per the terms agreed between the parties under the Facility Agreement, the aforesaid pledge has now been released on August 21, 2023 and re-created on August 22, 2023, through the depository system. Hence, separate disclosure under Regulation 31(1) of Takeover Regulations is not being filed for such release and re-creation of pledge by the Company pursuant to the proviso mentioned under Regulation 31(1) of the Takeover Regulations.*

*In view of the pledge being re-created over 139,435,527 equity shares representing 3.30% of the listed capital of HZL on August 22, 2023, the Company is filing this disclosure of “Reasons of encumbrance” in accordance with 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.*

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

**Place: New Delhi**

**Date: August 24, 2023**