

VEDL/Sec./SE/20-21/67

July 06, 2020

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai - 400 001

National Stock Exchange of India Limited
"Exchange Plaza"
Bandra-Kurla Complex, Bandra (East),
Mumbai - 400 051

Scrip Code: 500295

Scrip Code: VEDL

Dear Sir(s),

Sub: Disclosure of Related Party Transactions pursuant to Regulation 23(9) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Pursuant to the Regulation 23(9) of the Listing Regulations, please find enclosed herewith the disclosure of Related Party Transactions of the Company on consolidated basis, in accordance with the applicable accounting standards for the year ended March 31, 2020.

We request you to please take the above on record.

Thanking you,

Yours faithfully,
For Vedanta Limited

Prerna Halwasiya
Company Secretary & Compliance Officer

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: L132O9MH1965PLC291394



Vedanta Limited
CIN no. L13209MH1965PLC291394

Regd. Office: Vedanta Limited, 1st Floor, 'C' wing, Unit 103, Corporate Avenue, Atul Projects, Chakala, Andheri (East),
Mumbai-400093, Maharashtra

CONSOLIDATED RELATED PARTY DISCLOSURE FOR THE YEAR ENDED MARCH 31, 2020

List of related parties and relationships

A) Entities controlling the Company (Holding Companies)

Volcan Investments Limited (Volcan)
Volcan Investments Cyprus Limited

Intermediate Holding Companies

Finsider International Company Limited
Richter Holdings Limited
Twin Star Holdings Limited
Vedanta Resources Cyprus Limited
Vedanta Resources Finance Limited
Vedanta Resources Holdings Limited
Vedanta Resources Limited (formerly Vedanta Resources Plc)
Welter Trading Limited
Westglobe Limited

B) Fellow subsidiaries (with whom transactions have taken place)

Konkola Copper Mines Plc *
Sterlite Iron and Steel Company Limited
Sterlite Power Transmission limited
Sterlite Technologies Limited
Sterlite Power Grid Ventures Limited

C) Post retirement benefit plan

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

D) Associates and Joint Ventures (with whom transactions have taken place)

RoshSkor Township (Pty) Limited
Goa Maritime Private Limited

E) Others (with whom transactions have taken place)

Cairn Foundation
Fujairah Gold Ghana
India Grid trust **
Janhit Electoral Trust
Sesa Community Development Foundation
Runaya Refinery LLP
Vedanta Foundation
Vedanta Medical Research Foundation



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* *Konkola Copper Mines Plc (KCM) ceased to be a related party w.e.f. May 21, 2019. In March, 2020, a provision of ₹ 207 crore was recognised in relation to monies advanced to KCM against future purchase of copper cathode/ anode.*

** *Ceased to be related party during the year.*

Ultimate Controlling party

Vedanta Limited is a majority-owned and controlled subsidiary of Vedanta Resources Limited ('VRL'). Volcan Investments Limited ('Volcan') and its wholly owned subsidiary together hold 100 % of the share capital and 100 % of the voting rights of VRL. Volcan is 100 % beneficially owned and controlled by the Anil Agarwal Discretionary Trust ('Trust'). Volcan Investments Limited, Volcan Investments Cyprus Limited and other intermediate holding companies except VRL do not produce Group financial statements.



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CONSOLIDATED RELATED PARTY DISCLOSURE FOR THE YEAR ENDED MARCH 31, 2020

F) The Group enters into transactions in the normal course of business with its related parties, including its parent Vedanta Resources Limited, and the companies over which it has significant influence. A summary of significant related party transactions for the year ended March 31, 2020 are noted below.

Transactions and balances with own subsidiaries are eliminated on consolidation.

(₹ in Crore)

Particulars	Entities controlling the Company/ Fellow subsidiaries	Associates /Joint ventures	Others	Total
Income :				
(i) Revenue from operations	855	-	2	857
(ii) Other income				
a) Interest and guarantee commission	42	-	-	42
b) Outsourcing service fees	3	-	-	3
c) Dividend income	2	-	4	6
Expenditure and other transactions :				
(i) Purchase of goods/ Services	58	-	7	65
(ii) Stock options (recovery)	(0)	-	(0)	(0)
(iii) Management fees and Brand fees charged	526	-	-	526
(iv) Reimbursement for other expenses (net of recovery)	48	-	0	48
(v) Corporate Social Responsibility expenditure/ Donation	-	-	111	111
(vi) Contribution to Post retirement employee benefit trust/fund	-	-	112	112
(vii) Remuneration to relatives of key management personnel	-	-	17	17
(viii) Commission/Sitting Fees				
-To Independent directors	-	-	4	4
-To Key management personnel	-	-	4	4
-To relatives of key management personnel	-	-	0	0



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CONSOLIDATED RELATED PARTY DISCLOSURE FOR THE YEAR ENDED MARCH 31, 2020

(ix) Dividend paid.				
-To Holding companies	727	-	-	727
-To Key management personnel	-	-	0	0
-To relatives of key management personnel	-	-	0	0
Other Transactions during the year :				
(i) Loans given / (repayment thereof)	0	(0)	-	(0)
(ii) Financial Guarantees (taken)/given during the year	-	-	0	0
(iii) Financial Guarantees relinquished during the year	-	-	25	25
(iv) Investments (redeemed) during the year *	(4,485)	-	-	(4,485)
Balances as at year end :				
(i) Trade receivables	3	-	-	3
(ii) Loans given	80	4	-	84
(iii) Other receivables and advances	133	1	2	136
(iv) Trade payables	114	-	7	121
(v) Other payables	60	-	68	128
(vi) Investments	101	-	-	101
(vii) Financial guarantee given	-	-	26	26
(viii) Banking guarantee given **	115	-	-	115
(ix) Remuneration, Commission and consultancy fees payable to KMP and their relatives	-	-	6	6

* Refer point (G)

** Bank guarantee given by Vedanta Limited on behalf of Volcan Investments Limited in favor of Income Tax department, India as collateral in respect of certain tax disputes of Volcan Investments Limited.



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CONSOLIDATED RELATED PARTY DISCLOSURE FOR THE YEAR ENDED MARCH 31, 2020

Remuneration of key management personnel

(₹ in Crore)

Particulars

**For the year
ended March 31,
2020**

Short-term employee benefits*	40
Post employment benefits**	8
Share based payments	1
	<u>49</u>

*This includes reimbursement to the parent company for remuneration paid to the CEO and Whole Time Director of the Company aggregating to ₹ 11 crore for the year ended March 31, 2020. The Company intends to seek approval of its shareholders for this payment at the ensuing annual general meeting. The said KMP has left the Company, subsequent to the Balance sheet date.

** Does not include the provision made for gratuity and leave benefits, as they are determined on an actuarial basis for all the employees together.



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CONSOLIDATED RELATED PARTY DISCLOSURE FOR THE YEAR ENDED MARCH 31, 2020

G) Structured investments purchased from Volcan Investments Limited

In December 2018, as part of its cash management activities, Cairn India Holdings Limited (CIHL), a step-down subsidiary of the Company, entered into a tripartite agreement with Volcan and one of its subsidiaries. Under the agreement, CIHL purchased an economic interest in a structured investment for the equity shares of Anglo American Plc (AA Plc), a company listed on the London Stock Exchange, from Volcan for a total consideration of ₹ 3,812 Crore (GBP 428 million, USD 541 million) (of which ₹ 1,816 Crore (GBP 200 million, USD 254 million) and ₹ 435 Crore (GBP 49 million, USD 64 million) was paid upto March 31, 2019 and during the year ended March 31, 2020 respectively) determined based on an independent third-party valuation. The ownership of the underlying shares, and the associated voting interests, remained with Volcan and the investment were to mature in two tranches in April 2020 and October 2020. In addition, CIHL also received a put option from Volcan. In July, 2019, the transaction was unwound and the investments were redeemed for a total consideration of ₹ 4,485 Crore (GBP 519 million, USD 639 million), representing the actual price Volcan realised from selling the shares of AA Plc to an unrelated third-party net of applicable costs, out of which ₹ 93 Crore (GBP 10 million, USD 12 million) is outstanding.

H) Cairn PSC and OALP guarantee to Government

Vedanta Resources Limited as a parent company has provided financial and performance guarantee to Government of India for erstwhile Cairn India Group's obligation under the Production Sharing Contract ('PSC'). The guarantee provides for making available financial resources equivalent to Cairn India's share for its obligation under PSC, personnel and technical services in accordance with industry practices and any other resources in case Cairn India is unable to fulfill its obligations under PSC.

Vedanta Resources Limited has also provided parent company financial and performance guarantee to Government of India for Vedanta Limited's obligation under the Revenue Sharing Contract ('RSC') in respect of 41 Blocks awarded under the Round 1 of Open Acreage Licensing Policy (OALP) by Government of India. The guarantee provides for making available financial resources equivalent to Vedanta's share for its obligation under RSC, personnel and technical services in accordance with industry practices and any other resources in case Vedanta is unable to fulfill its obligations under RSC.

No consideration is charged for the above services and this is subject to ongoing the review and study.



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CONSOLIDATED RELATED PARTY DISCLOSURE FOR THE YEAR ENDED MARCH 31, 2020

I) Cairn Investment in Vedanta Resources Limited Bonds

Cairn India Holdings Limited had invested ₹ 228 Crore (US\$ 30.5 million) as at March 31, 2020 in bonds issued by Vedanta Resources Limited (formerly Vedanta Resources Plc), which have maturities ranging from June 2021 to May 2023 at coupon ranging from 7.13% to 8.25% p.a. The carrying value of these bonds (measured at FVTPL) are ₹ 101 Crore as at March 31, 2020.

J) Loans to holding companies

During the year ended March 31, 2016, Lisheen Milling Limited entered into a loan agreement with Twin Star Holding Limited for ₹ 67 crore (US \$10 million) at an interest rate of 2.1% per annum. The loan is unsecured and the outstanding balance under the facility including interest accrued at March 31,2020 ₹ 75 crore.

K) Loans to fellow subsidiaries

During the previous year ended March 31, 2019, the Group had renewed loan provided to Sterlite Iron and Steel Company Limited to finance project in earlier years. The loan balance as at March 31, 2020 was ₹5 Crore . The loan is unsecured in nature and carries an interest rate of 8.50% per annum. The loan was due in March 2020. The loan has been renewed for a further period of 12 months in March 2020 and is due in March 2021.

Terms and conditions of transactions with related parties

All transactions with related parties are done in the ordinary course of business. Except as disclosed above, the Group has not recorded any impairment of receivables relating to amounts owed by related parties, for the year ended March 31, 2020. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

There are no outstanding debts or loans due from directors or other officers (as defined under Section 2(59) of the Companies Act, 2013) of the Company.