



No. Sec./A-SE/15-16/50

August 1, 2016

BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai - 400 001  
**Scrip Code: 500295**

National Stock Exchange of India Limited  
"Exchange Plaza"  
Bandra-Kurla Complex, Bandra (East),  
Mumbai – 400 051  
**Scrip Code: VEDL**

Dear Sir(s),

Sub: **Clarification on news published "Goa Mines Dept cancels Vedanta's ore import permit."**

Ref: **Permit Cancellation order No.03/36/2016/Major/Mines/1216**

With reference to your emails on the above subject we would like to state that the article that appeared in the media on July 29, 2016 does not give a factual report and does not have any material impact on the Company's performance.

Company "Vedanta Ltd – Iron ore Business" has a Pig Iron manufacturing facility located at Amona/ Navelim, Goa. The plant sources the required iron ore from Goa (more than 80%) and Karnataka (about 20%), for producing Pig iron.

With regard to the transportation of ore required for the plant from Karnataka all necessary guidelines; procedures; protocols are adhered to by the Company at all times. After obtaining necessary dispatch permits from DMG & Forest dept. of Karnataka and import/transit permit from DMG, Goa iron ore was brought down to Pig Iron Plant at Amona/ Navelim, Goa, after paying entry tax & Rural welfare cess, (collected by RTO) at Border check post.

However from the third week of July, 2016 DMG, Goa incorporated a change in procedure that insists additionally an individual trip sheet/ entry token for each truck at Mollem check post at Goa-Karnataka border apart from the bulk import / transit permit.

Accordingly, Company started transportation of 12000 Mt of Iron Ore lumps from Karnataka bought vide E-auction No.27/BLR/16-17/4374 dated 22.06.2016 for consumption at our Pig Iron Plant, against permit No. IMP DMG1005/2016 dated 25.06.2016 from DMG, Goa.

After complying with all the due formalities and procedures with Goa DMG officials, 35 trucks of ore was transported from Hospet-Karnataka on 26/07/2016, communication of the consignment and vehicles carrying ore was intimated to the Deputy-DMG, Goa and M/s. Mega soft (an implementing agency for DMG, Goa) well in advance as advised by officials.

**Vedanta Limited** (Formerly Sesa Sterlite Ltd)

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Registered Office: Sesa Ghor, 20 EDC Complex, Patto, Panaji (Goa) - 403 001  
CIN: L13209GA1965PLC000044



The transporter was also clearly instructed to collect entry tokens at the Mollem check post from DMG, Goa for each truck before entering in Goa.

As planned, loaded trucks reported at Mollem check post early morning at 5:00 AM on 27/07/2016 and were waiting for DMG, Goa officials for issuance of entry tokens post completing other formalities with RTO and forest department. But the trucks were asked to move by the check post police, RTO and forest department officials as it congested traffic.

Hence, the ore laden trucks had to move out. The trucks reached our plant at Amona-Goa, without entry tokens from DMG as officials did not reach in time to issue the entry permits.

By the time Company officials took note of the matter 18 trucks of the 35 trucks carrying ore had unloaded ore. The Company immediately put on hold the rest of the unloading of ore.

We regret that the DMG Goa has temporarily cancelled the permit (No. IMP DMG1005/2016 dated 25.06.2016) for 12000 Mt.

Facts of the matter have been submitted by the Company to the DMG officials. The DMG officials are expected to complete their survey and necessary investigation by Monday, August 1, 2016 and we expect restoration of the 12000 Mt, post inspection.

We reiterate that this one time deviation occurred because of a change in the old system of import transit permit.

Further, any delay in restoring the Permit transportation of iron ore from Karnataka is not likely to have any significant adverse effect on the operation of pig iron business.

Thanking you,

Yours Sincerely,  
**For Vedanta Limited**

A handwritten signature in blue ink, appearing to read "Bhumika Sood", written over a horizontal line.

**Bhumika Sood**  
**Compliance Officer**

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