

# Report on Corporate Governance

## Company's Philosophy on Code of Governance

The Company's philosophy on Corporate Governance is embedded in the legacy of transparent, fair and ethical practices. Efficient Corporate Governance is imperative for generating added value for our shareholders and maintaining confidence amongst stakeholders at large.

We aim to grow and empower the organization by enhancing the quality we create, putting continued thrust on our values and taking utmost care of our people. We ensure that our progress leaves positive imprints on the environment and that our growth is all-inclusive for the enhancement of our communities. Our governance framework supports and enables effective execution of Company's strategy together with high quality and timely decision making.

## Vedanta's Governance Structure



The Governance standards of the Company are reflected in the decision making process followed by the Board. The Executive Committee (EXCO) at the Group (Group EXCO), Business Units (BU EXCO) and Strategic Business Unit (SBU EXCO) deliberate the strategic and other sessions before placing them before the Board/ shareholders for consideration and approvals.

## Compliance with Corporate Governance Guidelines

Besides complying with the statutorily prescribed Corporate Governance practices, the Company has voluntarily adopted and evolved various practices of governance conforming to highest ethical and responsible standards of business, globally benchmarked. These practices reflect the way business is conducted and value is generated.

## Board of Directors

At the core of our corporate governance practices is the Board of Directors, who is committed to maintaining a high standard of corporate governance practices within the Group and devotes considerable effort to identify and formalize best practices.

The Board provides entrepreneurial leadership for the Group and governs the Company within framework of prudent and effective controls ensuring that the Company is delivering excellent operational performance, innovative culture and creates sustainable and long-term value for stakeholders.

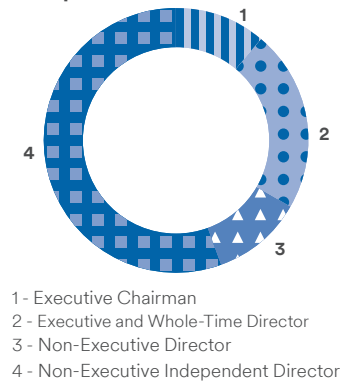
Your Company's Board combines a number of longer serving Directors with Directors who have joined the Board more recently. This combination provides the Board with a fresh perspective while ensuring there is continuity and experience from Directors who have served during a period of rapid growth and development for the business.

## Composition, Directorship and Meetings

The composition of the Board is in compliance with the most recent governance standards issued by the Securities and Exchange Board of India (SEBI) on the recommendations of Kotak Committee. The Company recognizes and embraces the benefits of having a diverse board, and sees increasing diversity at board level as an essential element in maintaining a competitive advantage. The Board comprises of 2 woman directors one of whom is an Independent Director. Further the Board comprises of members with diverse backgrounds having considerable expertise and experience in their respective fields.

As at March 31, 2018, the Board of Company is an efficient mix of Executive Directors (3), Non-Executive (1) and Independent Directors (5). The Chairman of the Board is an Executive director.

## Composition of Board



The Chairman leads the Board and upholds the highest standards of integrity, probity and corporate governance through setting clear expectations in terms of culture and values, as well as in terms of the style and tone of board discussions. The Chairman promotes constructive relationship and effective communication between the Directors.

There is a clear demarcation of duties and responsibilities among the position of the Chairman of the Board and Chief Executive Officer of the Company to ensure best corporate performance. The Board composition is in conformity with the provisions of the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Detailed profile of the Directors can be viewed on the website at [www.vedantalimited.com](http://www.vedantalimited.com).

Mr. Kuldip Kumar Kaura - Interim Chief Executive Officer, Mr. GR Arun Kumar – Whole-Time Director & Chief Financial Officer and Ms. Bhumika Sood – Company Secretary are the Key Managerial Personnel (KMPs) of the Company.

During the year under review, following changes took place in the position of Directors/ Key Managerial Personnel (KMPs) of the Company:

- Mr. Naresh Chandra, Independent Director ceased to be a member of the Board and committees effective July 9, 2017 due to demise. The Directors placed on record their deep appreciation for his valuable guidance.
- Mr. Aman Mehta appointed as an Independent Director and Ms. Priya Agarwal was appointed as Non- Executive Director on the Board w.e.f. May 17, 2017. The appointment was approved by the shareholders of the Company in the 52<sup>nd</sup> Annual General Meeting held on July 14, 2017
- The term of Mr. Thomas Albanese as Whole-Time Director and Chief Executive Officer (CEO) was extended by the Board till August 31, 2017. Mr. Albanese superannuated as the CEO and member of the Board w.e.f. August 31, 2017.
- Ms. Lalita D. Gupte and Mr. Ravi Kant were re-appointed as Independent Directors for a second and final term w.e.f. January 29, 2018 till August 10, 2021 subject to approval of the shareholders in the forthcoming Annual General Meeting.
- Mr. UK Sinha was appointed by the Board at its meeting held on March 13, 2018 w.e.f. the closing of business hours of March, 13, 2018.
- Mr. Tarun Jain was re-appointed as the Whole-Time Director by the Board at their meeting held on March 28, 2018 w.e.f. April 1, 2018.

Mr. Kaura was appointed as an Interim Chief Executive Officer (CEO) of the Company w.e.f. September 1, 2017.

The Company follows a structured process of decision-making by the Board and its Committees. To ensure smooth conduct of the meetings, an annual calendar of the Board and Committee meetings is prepared in advance in consultation with the Board members. The detailed agenda along with the explanatory notes and annexures are circulated in advance of the meeting to the respective Board and Committee members. In special and exceptional circumstances, the agenda is sent at a shorter notice, with due adherence to the applicable provisions including Secretarial Standards issued by the Institute of Company Secretaries of India.

Additionally, in case of business exigencies, resolutions/matters are passed by way of circulation and if required the same is supported by an audio call to explain the rationale. During the year ten (10) matters/resolutions were approved through circulation.

Total nine (9) board meetings were held during the financial year. All Directors have demonstrated high levels of availability and responsiveness for additional meetings and discussions whenever these have been required. The maximum gap between any two meetings was not more than one hundred and twenty (120) days.

Video / tele-conferencing facilities were facilitated to Directors travelling in India or abroad for participation in the meeting on requirement basis.

**Table 1: Details of attendance at Board Meetings**

S. No.	Date of Meeting	Board Strength	No. of Directors Attended Present	%
1	11-Apr-17	8	8	100%
2	15-May-17	8	7	87.5%
3	25-Jul-17	9	9	100%
4	31-Aug-17	9	8*	100%
5	02-Nov-17	8	8	100%
6	19-Dec-17	8	6	75%
7	31-Jan-18	8	8	100%
8	13-Mar-18	8	8	100%
9	28-Mar-18	9	9	100%

\*Ms. Lalita D. Gupte, Mr. Ravi Kant and Mr. Thomas Albanese attended the meeting through audio call.

Composition of the Board, other Directorship(s)/ Committee Membership(s)/ Chairmanship(s) as on March 31, 2018 and attendance of directors at Board Meetings, Last Annual General Meeting (AGM) are as given in Table – 2.

None of the Director is a Director in more than 10 public limited companies or acts as an Independent Director in more than 7 listed companies or 3 listed companies in case he/she serves as a Whole-time Director in any listed company (as specified in Regulation 25 of the Listing Regulations).

Further, none of the Directors are members of more than 10 board level committees of Indian public limited companies, nor are they Chairman of more than 5 committees, across all companies in which they are directors. The necessary disclosures regarding committee positions have been received.

None of the Directors are related to other Directors as specified under Companies Act & Listing Regulations.

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Table – 2

Name of Directors	DIN	Category	No. of Board meetings held during his / her tenure and attended in 2017-18			Whether attended last AGM held on July 14, 2017	Number of Directorships in other entities including this entity		Number of Committee# positions held in public companies* including this entity	
			Held	Attended	%		All*	Listed	Member	Chairman
Navin Agarwal	00006303	Executive Chairman	9	9	100	Yes	4	2	-	-
Aman Mehta <sup>(1)</sup>	00009364	Independent Director	7	6	90	Yes	6	6	7	1
K Venkataramanan	00001647	Independent Director	9	9	100	No	6	3	1	-
Lalita D. Gupte <sup>(2)</sup>	00043559	Independent Director	9	9 <sup>(9)</sup>	100	Yes	6	6 <sup>(3)</sup>	8	2
Naresh Chandra <sup>(10)</sup>	00015833	Independent Director	2	1	50	NA	-	-	-	-
Ravi Kant <sup>(2)</sup>	00016184	Independent Director	9	8 <sup>(9)</sup>	90	Yes	3	2	1	-
UK Sinha <sup>(8)</sup>	00010336	Independent Director	1	1	100	NA	3	2	2	-
Priya Agarwal <sup>(11)</sup>	05162177	Non-Executive Director	7	6	90	Yes	1	1	-	-
Tarun Jain <sup>(4)</sup>	00006843	Whole- Time Director	9	9	100	Yes	3	2 <sup>(5)</sup>	2	-
GR Arun Kumar	01874769	Whole- Time Director & Chief Financial Officer	9	9	100	Yes	9	2 <sup>(6)</sup>	2 <sup>(7)</sup>	-
Thomas Albanese <sup>(11)</sup>	06853915	Whole- Time Director & Chief Executive Officer	4	4 <sup>(9)</sup>	100	Yes	-	-	-	-

# only Audit Committee and Stakeholders Relationship Committee has been considered as per Regulation 26 of the Listing Regulations.

\* excluding private limited companies, foreign companies and companies under Section 8 of Companies Act, 2013, trusts and alternate directorships as per Regulation 26 of the Listing Regulations.

@ excludes foreign companies but includes Private Companies and companies under Section 8 of the Companies Act, 2013.

(1) Appointed w.e.f. May 17, 2017.

(2) Re-appointed as Independent Directors for a second and final term w.e.f. January 29, 2018 till August 10, 2021.

(3) Ms. Lalita D. Gupte is a Director in India Infradebt Limited whose only Debt Securities are listed.

(4) Re-appointed as Whole-Time Director w.e.f. April 1, 2018.

(5) Mr. Tarun Jain is a Director in Bharat Aluminum Company Limited whose only Debt Securities are listed.

(6) Mr. GR Arun Kumar is a Director in Vizag General Cargo Berth Private Limited whose only Debt Securities are listed.

(7) Mr. GR Arun Kumar is a member of the Audit Committee of Vizag General Cargo Berth Private Limited whose only Debt Securities are listed.

(8) Appointed as Non-Executive Independent Director on the Board of the Company w.e.f. close of business hours on March 13, 2018.

(9) Attended the meeting held on August 31, 2017 through audio call.

(10) Mr. Naresh Chandra ceased to be a Director on the Board w.e.f. July 9, 2017 due to demise.

(11) Mr. Thomas Albanese superannuated from the position of Whole-Time Director and CEO w.e.f. end of business hours on August 31, 2017 consequent to contract completion.

## Matters reserved for the Board and delegated authorities

A formal schedule of matters of commercial and financial importance are reserved for the board. This covers areas such as: setting the Group's purpose and strategic vision; monitoring the performance of delivery of the approved strategy; approving major investments, acquisitions and divestments; the oversight of risk and the setting of the Group's risk appetite; and reviewing the Group's governance framework.

The Board has delegated some of its responsibilities to the board committees, and details of how the committees have fuelled on behalf of the Board are provided in the report.

## Information Supplied to the Board

One of the prerequisites for value-generating work by the Board is that the Board has a firm grasp on the operations and on events in the outside world. We achieve this through a well-structured body of material for the Board.

The Board has complete access to all the relevant information within the Company. All Board meetings are governed by a structured agenda which is backed by comprehensive background information.

The Company leverages technology and synergizes it with the green initiatives to the optimum. As a part of green initiative, all the agenda papers and notes are circulated to the Directors through an electronic platform. This ensures greater security, and provides the Directors with a more efficient way of working, by combining good governance with the use of the latest technology.

Compliance reports of all laws applicable to Company is presented before the Board on quarterly basis. The minutes of the Board meetings of the Company's subsidiaries and a statement of all significant transactions and arrangements entered into by the subsidiary companies are also placed before the Board.

Expositions covering various aspects of business, major subsidiaries, global and domestic business environment, safety and environment related matters, strategy and risk management practices are given to the Board.

Throughout the year, Directors are also provided with detailed briefing materials on the performance of the Company and market analysis on the performance of, and prospects for, the business. Updates on relevant statutory changes and judicial pronouncements around industry related laws are regularly circulated to the directors. Each director has complete access to any Company information and full freedom to interact with senior management.

Business reviews by the Group EXCO, Business EXCO and SBU EXCO on the performance and operation of the Company is conducted on monthly basis and update to the Board is given in the quarterly meetings. Board has constituted various committees and sub-committees with clearly agreed reporting procedures and are guided by the charter prescribing the terms of reference.

Important decisions taken by the Board and its committees are promptly communicated to the concerned departments or divisions.

The Company also has an effective post Board Meeting follow up procedure. Action taken report on the decisions taken in a meeting is placed at the immediately succeeding meeting for information of the Board.

## Board Familiarisation and Induction Programme

A formal and comprehensive induction about the Company, its operations and the industry in which the Company operates, is given to all the new directors including site visits and meetings with members of the Board and other key senior executives including Business CEOs and CFOs. They are also introduced to the organization structure, strategy, constitution, policies and board procedures.

A formal letter of appointment setting out the role, functions, duties and responsibilities, details regarding remuneration, training and development and performance evaluation process is given to Independent Directors at the time of their appointment.

The Directors are also provided with induction materials including Company's corporate profile, its organizational structure, the Company's history and milestones, latest annual report, Code of

Conduct and Business Ethics, the Code for Prevention of Insider Trading and other applicable codes. They are also periodically updated on all business related issues and new initiatives.

Following the initial induction, a continuing understanding of the business is developed through appropriate business engagements. In addition, Executive Committee members and other senior executives make expositions on business and performance of various divisions and units including subsidiaries in the Board and committee meetings. They are also apprised about risk assessment and minimization procedure.

The Board is kept abreast of performance and Company's operations/ updates/ major developments affecting the business by reports from the Chief Executive Officer on quarterly basis.

Detailed familiarisation programme for Directors is available on the Company's website at [www.vedantalimited.com](http://www.vedantalimited.com).

### Board Independence

The independent directors bring an element of objectivity to the board processes and an objective view in the board deliberations. They provide a valuable outside perspective to the deliberations of the board and contribute significantly to the decision making process.

All Independent Directors have provided an affirmation of their independence as required under the provisions of the Companies Act, 2013 and Listing Regulations.

There are no material pecuniary relationships or transactions between the Independent Directors and the Company, except for sitting fees and commission drawn by them for attending the meeting of the Board and Committee(s) thereof. None of the Non-Executive Directors hold any shares or convertible instruments in the Company.

### Selection/Appointment Procedure

The Nominations and Remuneration Committee has in place a formal and transparent process for the appointment of new Independent Directors on the Board. The committee, based on defined criteria, makes recommendations to the Board on the induction of new directors.

As per the Company's Nomination and Remuneration Policy the following steps are carried for selection of new Board member(s):

- The Nomination and Remuneration Committee ('NRC') takes into consideration the knowledge, professional & functional expertise and background, industry orientation, accomplished personalities, diverse academic, professional or technical qualification, age and more before recommending a new member to the Board for their approval for appointment;
- In case of appointment of Independent Directors, the NRC additionally satisfies itself with regard to the independence of the Directors vis-à-vis the Company so as to enable the Board to discharge its functions and duties effectively;
- The NRC ensures that the candidates identified for appointment as Directors are not disqualified for appointment under Section 164 and other applicable provisions of the Companies Act, 2013;
- In case of re-appointment, performance evaluation and engagement level is considered by the NRC and recommendations are made to the Board.

### Separate Meeting of Independent Directors

Independent Directors play a pivotal role in maintaining a transparent working environment in the company.

The Company facilitates the conduct of separate meetings of the Independent Directors without the presence of Non-Independent Directors and management of the Company to enable them to interact and discuss about the performance of the Company and the Board, risk faced by it, competition, strategy, leadership

strengths and weaknesses, governance, compliance, board movements, human resources matters etc. These meetings afford an opportunity to the Independent Directors for exchanging valuable views.

The Independent Directors also meet with the Statutory Auditors to discuss internal audit effectiveness, environment control and invite their general feedback. Independent Director updates the Audit and the Board about the outcome of the meetings and action, if any, required to be taken by the Company.

During the year under review, the Independent Directors met once on March 28, 2018 to discuss:

- The performance of the Chairperson of the Company, taking into account the views of Executive and Non-Executive Directors;
- The performance of the Non-Independent Directors and the Board as a whole;
- The quality, quantity and timeliness of flow of information between the Company management and the Board.

### Risk Mitigation Plan

Your Company has in place comprehensive risk assessment and minimization procedures, which are reviewed by the Risk Management Committee periodically to ensure that management controls risk through means of properly defined framework. The Audit Committee of the Company also reviews the risk matrix and mitigation plan from time to time. A separate section on principal risks and uncertainties is covered in the Management Discussions & Analysis.

### Insider Trading Prohibition Policy

Your Company has a robust mechanism in place to prevent insider trading and have formulated the Insider Trading Prohibition Policy ('Policy') which serve as a guiding charter for all the concerned persons associated with the Company and defines the principles and the restrictions to be observed while dealing or proposing to deal in any transaction w.r.t. the Securities of the Company and related matters. The objective of the Policy is to prevent misuse of any Unpublished Price Sensitive Information (UPS) and prohibit any insider trading activity, in order to protect the interest of the shareholders at large.

In view of the recent corporate restructuring and to cater to the ever changing environment considering the size and operations of the Company, the Board of Directors of the Company in its meeting held on January 31, 2018 have revised the Insider Trading Prohibition Policy.

The Policy specifies the procedures and restrictions to be followed by Directors, employees of the Company and other associated/ connected person before undertaking any transaction in securities of the Company. The Policy is available on the website of the Company at [www.vedantalimited.com](http://www.vedantalimited.com).

The Company has in place designated Insider Trading Monitoring Committee comprising of senior executive members viz., Chief Financial Officer (CFO); Company Secretary (CS); and Group Chief Human Resource Officer (CHRO)/ VP Group HR. The Committee is responsible for the overall administration of the Policy and actively reviews the transaction undertaken by the Insiders. Tracking of the trading in securities of the Company by the Insiders is done by our Registrar & Share Transfer Agent, M/s Karvy Computershare (P) Ltd. Reports w.r.t. the transaction executed by the Insiders are reported to the Committee on weekly basis.

An annual disclosure is also taken from all the Insiders of the Company disclosing their shareholding in the Company as at the year end.

Various knowledge sharing emails/ updates are sent to the Insiders in order to monitor and prevent any non-compliance of the Policy/

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SEBI (Prohibition of Insider Trading) Regulations, 2015. As a way forward towards digitization, the Company is in the process of developing an automated tool for monitoring and reporting of trades done by the Insider.

## Code of Business Conduct and Ethics

The Company remains committed to the highest standards of business conduct and expects all of its employees to act accordingly. The Code of Business Conduct and Ethics ('COC/ Code') as adopted by the Board is applicable to all the Directors, senior management and employees of the Company. The COC is available on the website of the Company at [www.vedantalimited.com](http://www.vedantalimited.com).

The Code underpins our social, ethical and environmental commitments and sends a clear message to our stakeholders of our commitment to responsible business practice.

The Code also includes within its ambit the provisions of US Foreign Corrupt Practices Act (FCPA) and UK Bribery Act (UKBA). Accordingly, the Company and all officials acting on behalf of the Company including its subsidiaries and affiliates ensure due compliance with the FCPA and UKBA and all applicable anti-corruption laws, in doing business anywhere in the world.

The Company has received affirmations from the Board and Senior Management confirming their compliance with the Code for the year ended March 31, 2018. An annual declaration signed by the Interim Chief Executive Officer (CEO) to this effect is attached as Annexure I to this Report.

## Certification

The certification provided by Interim CEO and CFO w.r.t. the financial statements as required under Listing Regulations was placed before the Board and the same is provided as Annexure II to this report.

## Board Committees

The Board is assisted by six (6) principal committees each of which is responsible for reviewing and dealing with matters within its own terms of reference. The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference of various Committees and the same is updated from time to time with reference to best corporate governance practices.

The Company Secretary officiates as the Secretary of the committee(s).

These Committees have optimum representation of the members of the Board with requisite expertise who hold meetings at such intervals as is deemed necessary to effectively perform the tasks assigned to them.

Each Committee is directed and guided by its Charter defining its purpose, scope, responsibilities and authorities, among others.

The proceedings of all committee meetings are circulated to the members of the committee and the minutes of the meetings of all the committees are placed before the Board for its review and noting.

Details on the role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided below.

As on March 31, 2018 the Board has following six (6) committees as detailed below:

<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>
<p><b>Audit Committee</b></p> <ol style="list-style-type: none"> <li>Lalita D. Gupte, Independent Director (Chairperson)</li> <li>Ravi Kant, Independent Director</li> <li>Aman Mehta, Independent Director</li> <li>UK Sinha, Independent Director</li> </ol>	<p><b>Nomination and Remuneration Committee</b></p> <ol style="list-style-type: none"> <li>Aman Mehta, Independent Director (Chairperson)</li> <li>Lalita D. Gupte, Independent Director</li> <li>Ravi Kant, Independent Director</li> <li>Navin Agarwal, Executive Chairman</li> </ol>	<p><b>Stakeholder Relationship Committee</b></p> <ol style="list-style-type: none"> <li>Lalita D. Gupte, Independent Director (Chairperson)</li> <li>K Venkatramanan, Independent Director</li> <li>UK Sinha, Independent Director</li> <li>Tarun Jain, Whole-Time Director</li> <li>GR Arun Kumar, Whole-Time Director &amp; Chief Financial Officer</li> </ol>	<p><b>Corporate Social Responsibility Committee</b></p> <ol style="list-style-type: none"> <li>Ravi Kant, Independent Director (Chairperson)</li> <li>Aman Mehta, Independent Director</li> <li>K. Venkatramanan, Independent Director</li> <li>UK Sinha, Independent Director</li> <li>Tarun Jain, Whole-Time Director</li> <li>Priya Agarwal, Non-Executive Director</li> </ol>
<b>5</b>	<b>6</b>	<b>7</b>	
<p><b>Risk Management Committee</b></p> <ol style="list-style-type: none"> <li>Tarun Jain, Whole-Time Director</li> <li>GR Arun Kumar, Whole-Time Director &amp; Chief Financial Officer</li> <li>Dilip Golani, Head Management Assurance</li> <li>Deodatta Padgaonkar, Risk Officer</li> </ol>	<p><b>Committee Of Directors</b></p> <ol style="list-style-type: none"> <li>Navin Agarwal, Executive Chairman</li> <li>Tarun Jain, Whole-Time Director</li> <li>GR Arun Kumar, Whole-Time Director &amp; Chief Financial Officer</li> </ol>	<p><b>Finance Standing Committee of Directors</b></p> <ol style="list-style-type: none"> <li>Tarun Jain, Whole-Time Director</li> <li>GR Arun Kumar, Whole-Time Director &amp; Chief Financial Officer</li> </ol>	



## 1. Audit Committee

The Board of Directors has entrusted the audit committee with the responsibility to supervise the financial reporting processes and ensure accurate and timely disclosures with highest levels of transparency, integrity and quality of financial control and reporting.

During the year under review, the following changes took place in the constitution of the Committee:

- Mr. Naresh Chandra ceased to be a member of the Committee w.e.f. July 9, 2017 due to demise.
- The Committee was re-constituted by the Board of Directors through a resolution passed by circulation on July 12, 2017 by appointing Mr. Aman Mehta.
- With the induction of Mr. UK Sinha on the Board of the Company, the Committee has been further re-constituted on March 28, 2018 by appointing Mr. Sinha as a member of the Committee.

The composition of the Committee is in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

As on March 31, 2018, the Audit Committee comprises of four (4) Non-Executive Directors all of whom are Independent. The Chairperson of the Audit Committee is a Non-Executive Independent Director. All the members of the Audit Committee are financially literate.

The Group CFO, Director & Group Head – Management Assurance Services (MAS), and the Statutory Auditors are permanent invitees to the meetings of the Audit Committee. Further, the Committee invites such of the executives, as it considers appropriate, to brief the Audit Committee on important matters.

The Committee met five (5) times during the FY 2017-18 i.e. on May 15, 2017; July 25, 2017; November 2, 2017; January 30, 2018 and March 28, 2018. The time gap between two meetings was less than one hundred and twenty days (120 days). Additionally, the Audit Committee members have approved eight (8) matters by passing resolution(s) by circulation during the year under review. The details of attendance of members at its meeting during FY 2017-18 are given below:

**Table – 3**

Name of the Committee Member	Number of Meetings during his/ her tenure		
	Held	Attended	% of Attendance
Lalita D. Gupte <sup>(4)</sup>	5	5	100
Naresh Chandra <sup>(1)</sup>	1	0	0
Ravi Kant <sup>(4)</sup>	5	5	100
Aman Mehta <sup>(2)</sup>	4	4	100
UK Sinha <sup>(3)</sup>	0	0	0

(1) Ceased to be member of Audit Committee due to demise on July 09, 2017.

(2) Appointed as member w.e.f. July 12, 2017.

(3) Appointed as member w.e.f. March 28, 2018.

(4) Attended the meeting held on August 31, 2017 through audio call and were not counted for the purpose of quorum.

The Audit Committee members also meet the Statutory Auditors without the presence of the management.

### Audit Committee is broadly entrusted with the following responsibilities:

1. Ensuring integrity of the Company's financial statements;
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Ensuring effectiveness of the Company's financial reporting systems and processes;
4. Evaluation of effectiveness and adequacy of internal financial controls;

5. Evaluation and scrutiny of inter-corporate loans and investments;
6. Approval or any subsequent modification of transactions of the Company with related parties;
7. The Company's compliance with legal and regulatory requirements pertaining to financial reporting;
8. Discussing with the Management, Internal Auditor and Statutory Auditor the policies with respect to risk assessment and risk management
9. Reviewing the quarterly, half-yearly and annual financial statements with the management, before submission to the Board for approval;
10. Reviewing with management, the annual financial statements and auditors report before submission to Board for approval, with particular reference to:
  - Director's Responsibility Statement pursuant to clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
  - Major accounting entries;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Significant adjustments in financial statements arising out of audit findings;
  - Changes, if any, in accounting policies and practices along with reasons for the same.
11. Reviewing and monitoring the auditors' independence and performance;
12. Reviewing the functioning of Whistle Blower mechanism;
13. Assessing the performance of statutory auditors and internal auditors;
14. Reviewing the financial statements, minutes and details of investments made by the subsidiary companies;
15. Reviewing the audit process of company's statutory auditor (including qualification and independence of the auditors for the purpose of issuing an audit report or related work) and internal audit function
16. Valuation of undertaking and assets of the Company
17. Monitoring the end use/application of funds raised through an issue on quarterly basis;
18. Discussing the company's earning press releases as well as financial information and earnings guidance provided to analysts and rating agencies;
19. Implementation, reviewing and reporting to the Board the compliances with applicable provision Sarbanes-Oxley Act (SOX), Securities and Exchange Commission (SEC) Regulations including review of Annual Report on Form 20-F and Form 6K.
20. Reviewing of results and reconciliation under INDAS and IFRS
21. Mandatorily reviewing the following information:
  - Management discussion and analysis of financial condition and results of operations;
  - Statement of significant related party transactions, submitted by management;
  - Internal audit reports relating to internal control weaknesses;
  - Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - Reviewing the appointment, removal and terms of remuneration of the internal auditor;
  - Statement of deviations:
    - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of Listing Regulations;
    - b. Annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of Listing Regulations.

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### 2. Nomination and Remuneration Committee

The Nomination and Remuneration Committee (NRC) reviews and monitors the Board's composition and ensure that the Board comprises individuals with the right blend of skills, knowledge and experience to maintain a high degree of effectiveness in discharging its responsibilities.

The composition of the Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The Chairperson of the Committee is a Non-Executive Independent Director.

The Committee met six (6) times during FY 2017-18 i.e. on May 15, 2017; July 25, 2017; August 31, 2017; November 2, 2017; March 13, 2018 and March 28, 2018.

**Table – 4**

Name of the Committee Member	Number of Meetings during his/ her tenure		
	Held	Attended	% of Attendance
Amar Mehta <sup>(1)</sup>	5	5	100
Naresh Chandra <sup>(2)</sup>	1	0	0
Lalita D. Gupte <sup>(3)</sup>	6	6	100
Ravi Kant <sup>(3)</sup>	6	6	100
Navin Agarwal	6	6	100

(1) Appointed as a member & Chairman w.e.f. July 12, 2017

(2) Ceased to be a member, due to demise on July, 09, 2017

(3) Attended the meeting held on August 31, 2017 through audio call and were not counted for the purpose of quorum.

#### Nomination and Remuneration Committee is broadly entrusted with the following responsibilities:

- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Providing assurance that the Board has the effective composition and size to adequately discharge its responsibilities and duties and devising a policy on diversity of the Board of Directors;
- Recommending and reviewing the remuneration policies and remuneration of Directors based on their performance and defined assessment criteria;
- Ensuring that an evaluation of the performance of the Board is executed;
- Formulation of criteria for evaluation of performance of Independent Directors and the Board;
- Considering and evaluating whether to extend or continue the term of appointment of the Independent Director, based on the report of performance evaluation of Independent Directors;
- Overseeing and monitoring the terms and conditions of the Employees' Stock Option Scheme(s);
- Making recommendations to the Board on the appointment and retirement of Directors and ensuring that there is an appropriate induction programme in place for new Directors;
- Carry out any other function as directed by the Board and/or mandated by any statutory authority through any notification, amendment or modification from time to time.

#### Succession Planning

The Company strives to ensure adequate succession planning of its leadership talent pool.

The company uses succession management and planning to ensure that it identifies and develops future leaders to face the challenges of growth effectively and successfully. This ensures the systematic and long-term development of the individuals and provides a continuous flow of talented people to meet the organization's management needs.

The NRC is entrusted with the responsibility to ensure the effective processes are established relating to succession

planning and the composition of the board, having regard to the benefits of diversity.

The Committee also ensures that contingency plans for succession are in place in case of any urgencies.

A comprehensive discussion on the HR initiatives and performance plans is given in the Directors Report.

#### Performance Evaluation

The Board ensures that the Directors continue to provide suitable leadership for the Company through a regular performance evaluation process, training processes and annual re-election by shareholders.

In accordance to the requirements of the Companies Act, 2013 and Listing Regulations, a formal Board performance evaluation of the Board as well as of its Committees, individual Directors and the Chairman was undertaken. The performance evaluation of Interim 'CEO' was also conducted.

The suggestions arising out of the Board Evaluation undertaken for FY 2016-17 have been considered by the Company and appropriate actions were taken wherever required.

In line with the Company's best governance practices, the evaluation for FY 2017-18 was conducted by a leading Global HR Consulting Firm. The evaluation process involved a customised questionnaire capable of being benchmarked against peers and previous years' responses. The questionnaires were pragmatically structured to draw out significant issues that were relevant for evaluation and to assist in identifying any areas for improvement.

The anonymity of all respondents was ensured throughout the process to encourage an open and honest exchange of views. The results of the evaluation were directly submitted with the external agency by all the Directors. The compilation of results was done by the Agency and reports were directly shared to the Chairman, NRC Chairperson and Independent Directors. Each director was provided with a feedback on their individual and collective contribution to the Board and its Committees.

The evaluation process elicited responses from the directors in a judicious manner - ranging from composition and induction of the board and its committees to effectiveness and governance. The individual Directors performance was evaluated on parameters such as level of participation of the Directors, understanding of the roles and responsibilities of Directors, business and competitive environment in which the Company operates, the strategic issues, challenges for the Company and independent judgement among others.

The results of the evaluation were shared with the NRC and the Board in their meeting held on March 28, 2018. The survey results demonstrated very strong confidence in the leadership of the Board. Some of the observations of the Board post evaluation process are:

- The Company is well governed, right focus and apt strategy with clear improvement in performance in last 2 years and Board has worked on development areas pointed out earlier;
- Improvement areas suggested
  - formalization of on boarding/ orientation of new members;
  - further focus on succession planning at Board level.

To summarize the evaluation results, the Board is satisfied with the evaluation results which reflected the overall engagement of the Members and the effectiveness of the Board and its Committees.

The performance evaluation was positive with all responses indicating continued improved performance during the year. Further, the Board and Committees have agreed to further improve the effectiveness and functioning of the Board and Committees.

### Remuneration Policy for Directors

The Company has a policy for the remuneration of directors, Key Managerial Personnel (KMPs), senior management personnel framed by NRC. It lays down principles and parameters to ensure that remunerations are competitive, reasonable and in line with corporate and individual performance.

The following points highlights the broad objectives of the Policy:

- Alignment with business strategy and level of responsibility and impact;
- Attracting and motivating talented executives for their skills, experience and knowledge;
- Alignment of executives' interest with shareholder returns and long-term performance of the Company;
- Ensuring that the remuneration to the Directors, KMP and Senior Management involves a balance between fixed and annual performance pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals;
- Ensuring that benefits and perquisites are based on competitive market practices and contribute to the overall competitive level of total compensation.

The Executive Directors' (ED) remuneration has two components: fixed pay and annual variable pay (performance linked incentive). The fixed component is based upon the industry practice and benchmarks considering the skill, knowledge, experience and job responsibilities. The performance linked incentive is linked to the achievement of the Company and individual performance goals. Such variable compensation is 'at risk', and rewards performance and contributions to both short-term and long-term financial performance of the Company. The remuneration of the EDs is governed by the agreements executed with them, subject to the approval of the Board and of the members in general meetings and such other approvals as may be necessary.

The Non-Executive Independent Directors are paid remuneration by way of commission and sitting fees. The appointment letter covering the terms and conditions of appointment of Non-Executive Independent Directors is available on the Company's website [www.vedantalimited.com](http://www.vedantalimited.com). The Board decides the payment of commission within the limits approved by the members subject to the limit not exceeding 1% of the net profits of the Company.

No stock options were issued to the Non-Executive Directors during the year.

The details of remuneration paid/ payable to the Directors during FY 2017-18 are as follows:

**Table 5: Remuneration paid or payable to Directors for the year ended March 31, 2018 and relationship with each other**

Name of the Director	Relationship with other Directors	Sitting Fees	Salary and Perquisites	Provident and Superannuation Funds	Commission to non-executive directors / performance incentive for the executive directors	Total	No. of Stock-holding options of the Holding Company	Vedanta Limited ESOS 2016, ESOS 2017	DSBP FY 14-15, FY 15-16 & FY 16-17 (in shares)
Navin Agarwal	Note 1	-	17,21,62,835	1,28,58,360	3,03,34,985	21,53,56,180	5,17,440	-	1,65,622
Naresh Chandra <sup>(2)</sup>	None	1,50,000	-	-	20,54,795	22,04,795	-	-	-
Ravi Kant	None	10,50,000	-	-	75,00,000	85,50,000	-	-	-
Lalita D. Gupte	None	10,50,000	-	-	75,00,000	85,50,000	-	-	-
K Venkataramanan	None	6,00,000	-	-	75,00,000	81,00,000	-	-	-
Aman Mehta <sup>(3)</sup>	None	8,50,000	-	-	65,54,794	74,04,794	-	-	-
UK Sinha <sup>(4)</sup>	None	50,000	-	-	3,90,411	4,40,411	-	-	-
Priya Agarwal	Note 1	4,00,000	-	-	-	4,00,000	-	-	-
Thomas Albanese <sup>(5)</sup>	None	-	2,40,12,840	20,84,726	2,69,40,212	5,30,37,778	5,10,000	-	-
Tarun Jain	None	-	10,83,72,411	86,55,556	3,10,22,385	14,80,50,352	1,80,000	2,94,980	41,072
GR Arun Kumar	None	-	3,14,39,103	21,61,732	1,39,11,000	4,75,11,835	46,500	1,41,070	1,707

#### Notes:

- None of the Directors are related to other Director as specified under Companies Act and Listing Regulations.
  - For the period from April 1, 2017 to July 9, 2017
  - For the period from May 17, 2017 to March 31, 2018
  - For the period from March 13, 2018 to March 31, 2018
  - For the period from April 1, 2017 to August 31, 2017
- In addition to the above, Mr. Thomas Albanese received remuneration from Vedanta Resources Plc, UK, the Holding Company amounting to GBP 2,50,000 (INR 213.68 Lacs) during the financial year 2017-2018.
- Sitting fees are paid for Board level Committees i.e. Audit, Stakeholders, Nomination and Remuneration and Corporate Social Responsibility Committee.
  - The Performance incentive to Executive Directors for FY 2016-17 is paid during FY 2017-18.
  - For the FY 2017-18, Mr. Naresh Chandra and Ms. Priya Agarwal had received sitting fees of Rs. 1,00,000 and Rs. 50,000 respectively from erstwhile Cairn India Limited.
  - Sitting fees paid to Mr. Navin Agrawal from HZL and Cairn was Rs. 250,000 and Rs. 1,00,000 respectively.
  - Commission paid to Mr. Navin Agarwal from HZL was 10,00,000 during the FY 2017-18.
  - In addition to the above Mr. Navin Agarwal received remuneration from Vedanta resources Plc, UK, the Holding Company amounting to GBP 85,000 (INR 72.65 lacs) for the financial year ending March 31, 2018.
  - Mr. Tarun Jain was paid Rs. 1,00,000 from erstwhile Cairn India Limited during the FY 2017-18.
  - The Company's holding Company i.e., Vedanta Resources Plc, has granted its stock options to Company's Executive Directors. The fair value for the year 2017-18 in relation to option granted to Mr. Navin Agarwal is INR 3.4 crore, Mr. Tarun Jain is INR 1.7 crore, Mr. Thomas Albanese is INR 3.5 crore.
  - Deferred Share Bonus Plan (DSBP): A portion of the FY 2014-15, FY 2015-16 & FY 2016-17 annual bonus was converted into deferred share bonus plan as per the Annual Bonus Scheme for Directors. Accordingly,

- Mr. Navin Agarwal's shares will vest in a staggered manner over the period of 3 years from the date of grant in the ratio 40:30:30
  - Mr. Thomas Albanese has been given 137,832 shares under DSBP from VRPLC for the year FY 2014-15, FY 2015-16 & FY 2016-17; the shares will vest in a staggered manner over the period of 3 years from the date of grant in the ratio 40:30:30
  - Mr. Tarun Jain & Mr. Arun Kumar's share will vest in a staggered manner over the period of 2 years from the date of grant in the ratio 50:50
- The stock option includes VRPLC (scheme PSP 2014, PSP 2015, PSP 2016, PSP 2017), VEDL scheme ESOS 2016 (grant 2016 & 2017) & Cash Plan (2016 & 2017) options.
  - The PSP 2014 options vest after three years from date of grant i.e. on November 17, 2017, based on achievement of performance conditions and completion to tenure with the Group.
  - The PSP 2015 options vests after three years from date of grant i.e. on December 30, 2018, based on achievement of performance conditions.
  - The PSP 2016 options vests after three years from date of grant i.e. on November 11, 2019, based on achievement of performance conditions.
  - The PSP 2017 options vests after three years from date of grant i.e. on November 14, 2020, based on achievement of performance conditions.
  - The Cash Plan 2016 vests after three years from date of grant i.e. on March 2, 2020, based on achievement of performance conditions.
  - The Cash Plan 2017 vests after three years from date of grant i.e. on November 14, 2020, based on achievement of performance conditions.
  - The ESOS 2016 options vests after three years from date of grant i.e. on December 15, 2019, based on achievement of performance conditions.
  - The ESOS 2017 options vests after three years from date of grant i.e. on September 1, 2020, based on achievement of performance conditions.



## Report on Corporate Governance continued

### 3. Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee (SRC) is empowered to perform the functions of the board relating to review and redressal of stakeholders grievances. It primarily focuses on:

- Review and timely redressal of stakeholders grievances;
- Oversee of the performance of Registrar & Transfer Agent of the Company;
- Review of corporate actions related to security holders;
- Review various investor related queries;
- Suggesting methods to upgrade the standards of services to investors and use of technology for better interaction with the investors.

The composition of the Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. The Chairperson of the Committee is a Non-Executive Independent Director.

The Board had reconstituted the Stakeholders' Relationship Committee on April 1, 2017, July 12, 2017 and March 28, 2018 by inducting Mr. K. Venkataramanan, Mr. GR Arun Kumar and Mr. UK Sinha respectively as a member of the Committee. Further, as on March 31, 2018 the Committee comprises five (5) members. The Committee met once during the financial year 2017-18 i.e. on November 2, 2018. The details of attendance of members at the meeting is given below:

**Table - 6**

Name of the Committee Member	Number of Meetings during his/ her tenure		
	Held	Attended	% of Attendance
Lalita D. Gupte	1	1	100
K Venkataramanan <sup>(1)</sup>	1	1	100
UK Sinha <sup>(2)</sup>	0	0	NA
Tarun Jain	1	1	100
GR Arun Kumar <sup>(3)</sup>	1	1	100

(1) Appointed as a member w.e.f. April 1, 2017

(2) Appointed as a member w.e.f. March 28, 2018

(3) Appointed as a member w.e.f. July 12, 2017

### Investor Complaints

The Registrar & Transfer Agent of the Company viz. Karvy Computershare Private Limited (Karvy) handles investor grievances in coordination with the Compliance Officer. All grievances can be addressed to Karvy. The Company monitors the work of Karvy, to ensure that the investor grievances are settled expeditiously and satisfactorily. The status of complaints is reported to the Board on a quarterly basis and also filed with the stock exchanges.

During the financial year 2017-18, the investor complaints received by the Company were general in nature, which were resolved to the satisfaction of the shareholders. The status of queries and complaints received during the financial year ended March 31, 2018 is given in Table 6.

**Table – 7: The details of shareholders' complaints during FY 2017-18:**

Sr. No	Nature of complaints /letters and correspondence	Received	Replied	Closing Balance
1	Share Transfers/related to the transfer of shares	372	372	0
2	Transmission of Shares/Deletion of the name of the share certificate	672	672	0
3	Change of Address/Updation of bank mandates/ECS/Updation of signature	1,536	1,536	0
4	Conversion into Remat & Demat/Split	1,037	1,037	0
5	Issuance of Duplicate Share Certificates	371	371	0
6	Revalidation Dividend Warrants	1,073	1,073	0
7	Clarification on shares/transfers/Stop Transfers	2,319	2,319	0
8	Non-receipt of shares/new face value shares	430	430	0
9	Registration of Power of Attorney	9	9	0
10	Non-receipt of Dividend	3,106	3,106	0
11	Non-receipt of Annual Reports	296	296	0
12	Inclusion/Updation of Nominee Shareholder	12	12	0
13	Communication to be in physical mode	200	200	0
14	Misc. requests/grievances	194	194	0
<b>Sub-Total (A)</b>		<b>11,627</b>	<b>11,627</b>	<b>0</b>
15	Complaints received through Stock Exchanges, SEBI and Ministry of Corporate Affairs			
	(a) Non receipt of shares	18	18	0
	(b) Non receipt of dividends	24	24	0
	(c) Miscellaneous	11	11	0
<b>Sub-Total (B)</b>		<b>53</b>	<b>53</b>	<b>0</b>
<b>TOTAL (A+B)</b>		<b>11,680</b>	<b>11,680</b>	<b>0</b>
16	Complaints received through Stock Exchanges, SEBI and Ministry of Corporate Affairs for Redeemable Preference Shares			
	(a) Clarifications on the scheme and related matter	5	5	0
<b>Sub-Total (C)</b>		<b>5</b>	<b>5</b>	<b>0</b>
<b>TOTAL (A+B+C)</b>		<b>11,685</b>	<b>11,685</b>	<b>0</b>

Note: The Company received Nil complaints w.r.t. Non-Convertible Debentures.

#### 4. Corporate Social Responsibility (CSR) Committee

The CSR Committee is responsible for fulfilling the CSR objectives of the Company. The composition of the Committee is in compliance with the provisions of Section 135 of the Companies Act, 2013 and provisions made thereunder. The Board reconstituted the Committee on April 1, 2017, by appointing Mr. K. Ventaraman as member; on July 12, 2017 by appointing Mr. Ravi Kant as Chairman and Mr. Aman Mehta and Ms. Priya Agarwal as the members of the Committee; and on March 28, 2018 with the induction of Mr. UK Sinha on the Board of the Company. The Chairperson of the Committee is a Non-Executive Independent Director. The Committee comprises six (6) members including four (4) Independent Directors; one (1) Non-Executive Director and one (1) Whole-Time Director.

The Committee met two times during the financial year 2017-18 i.e. on May 15, 2017 and January 30, 2018. The details of attendance of members at the meeting is given below:

**Table – 8**

Name of the Committee Member	Number of Meetings during his/ her tenure		
	Held	Attended	% of Attendance
Ravi Kant	2	2	100
Aman Mehta <sup>(1)</sup>	1	1	100
K Venkatramanan <sup>(2)</sup>	2	2	100
Naresh Chandra <sup>(3)</sup>	1	0	0
UK Sinha <sup>(4)</sup>	0	0	NA
Priya Agarwal <sup>(1)</sup>	1	1	100
Tarun Jain	2	2	100
Thomas Albanese <sup>(5)</sup>	1	0	0

(1) Appointed as a member w.e.f. July 12, 2017

(2) Appointed as a member w.e.f. April 1, 2017

(3) Ceased to be a member w.e.f. July 9, 2017

(4) Appointed as a member w.e.f. March 28, 2018

(5) Ceased to be a member w.e.f. August 31, 2017

#### Corporate Social Responsibility Committee is entrusted with the following responsibilities:

1. Formulating and recommending to the Board the CSR Policy and activities to be undertaken by the Company in compliance with provisions of the Companies Act, 2013 and the rules made thereunder;
2. Recommending the amount of expenditure to be incurred on CSR activities of the Company;
3. Overseeing the implementation of CSR activities and projects;
4. Evaluating performance of the Company in the area of CSR;
5. Monitoring implementation of CSR Policy of the Company from time to time;
6. Carry out any other function as directed by the Board and/or mandated by any statutory authority through any notification, amendment or modification from time to time.

#### 5. Risk Management Committee

The Company has a duly constituted Risk Management Committee (RMC) which assists the Board in oversight and review of the risk management framework as well as the assessment of risks, their management and mitigation procedures under the aegis of the overall business risk management framework.

The constitution of the Committee is in compliance with Regulation 21 of the Listing Regulations. As on March 31, 2018, the Committee comprises three (3) members including two (2) Executive Directors and one (1) member from the Senior Management. The Committee also has an appointed Risk Officer. The meetings of the Committee are chaired by the Director as specified in Regulation 21 of the Listing Regulations.

During the financial year 2017-18, the Committee met three (3) on June 28, 2017, October 12, 2017 and January 12, 2018.

#### Risk Management Committee is entrusted with the following responsibilities:

1. Framing, reviewing and monitoring the Risk Management Policy and Plan of the Company and to recommend to the Audit Committee/ Board for approval/ changes;
2. On a continuous basis attaining reasonable assurance from the management that all known and emerging risks have been identified and accordingly mitigated/managed;
3. Assessing risks and procedures and minimising the same;
4. Ensuring suitable measures are taken to attain prudent balance between the overall risk and reward associated with it.

#### Re-Constitution of Internal Board Committees

The board has also constituted various internal committees, as a means of improving board effectiveness and efficiency where more focused, specialized and technically oriented discussions are required. As on April 1, 2017 there were four (4) internal Board committees as highlighted below:

- CFO Committee
- Committee of Directors
- Committee of Directors for Issuance of Share Certificates
- Share & Debenture Transfer Committee

In order to have more efficient and effective control and seamless management, the scope and composition of the Committee of Directors was revised by the Board of Directors of the Company in their meeting held on November 2, 2017.

Further, the Board in its meeting held on November 2, 2017 has consolidated the 'CFO Committee' and the 'Committee of Directors for Issuance of Share Certificates' and renamed the same as 'Finance Standing Committee of Directors'.

The following are the internal committees of the Board as on March 31, 2018. A brief description of the Committee including their roles, responsibilities and constitution is also provided in the report.

- Share & Debenture Transfer Committee
- Finance Standing Committee of Directors
- Committee of Directors

#### Share & Debenture Transfer Committee

The Committee comprises of three (3) members, Mr. GR Arun Kumar, Whole-Time Director & Chief Financial Officer, Ms. Pooja Yadava, GM Legal and Ms. Bhumika Sood, Company Secretary & Compliance Officer. During the year the Committee met eighteen (18) times.

The role of Share & Debenture Transfer Committee primarily includes the following:

- Allotment of shares, debentures or any other securities;
- Approval of transfer or transmission of shares, debentures or any other securities;
- Issue of duplicate certificates and new certificates on split/ consolidation/renewal/ demat /remat of shares/ debentures/ other securities issued by the company from time to time.

The number of pending share transfers as on March 31, 2018 is Nil.

#### Finance Standing Committee

The Finance Standing Committee (FSC) of Directors is entrusted with the responsibility to consider and approve the finance and treasury related proposal within the overall limits approved by the Board. The Committee comprises of two (2) Executive Directors. The Company meets as and when required. During FY 2017-18, the committee met two (2) times on December 22, 2017 and March 26, 2018.

## Report on Corporate Governance continued

### Committee of Directors

The Committee of Directors (COD) is responsible to consider, review and approve all borrowing proposals, within the overall limits approved by the Board from time to time. The Committee facilitates seamless operations and cater to various day-to-day requirements. The Committee meets as and when deemed necessary. The scope of the Committee was revised in the Board meeting held on November 2, 2017.

As on March 31, 2018, the Committee comprises three (3) Executive Directors. The Committee met five (5) times during the financial year 2017-18.

The Committee operates within the overall responsibilities and powers entrusted upon the Committee by the Board.

### Executive Committee (EXCO)

The Executive Committee of the Company ensures implementation of the Board's fiduciary, strategic and generative plans, policies, and

decisions consistent with the organization's Vision, Mission and Guiding Principles. The brief profile of EXCO members forms part of the Annual Report. EXCO meetings are conducted on monthly basis and are presided by the Group CEO. The CFOs/Deputy CFOs, COO's, Head Finance, Business EXCO members of respective businesses and subsidiaries are also invitees to EXCO meetings. The Chairman of the Company often attends the EXCO meetings.

The role and responsibilities of the Committee covers the following broad areas:

- Regular evaluation of the Company's various business divisions and key subsidiaries;
- Assessment of Policy framework;
- Functional review is carried out by the functional EXCO for ensuring centralised and explicit focus to each function; and
- Review on Health, Safety and Environment.

### General Body Meetings

#### Annual General Meetings

The details of the Annual General Meetings held during the last three years and special resolutions passed thereat are provided under in Table – 9

**Table – 9: Last Three Annual General Meetings:**

Year	Location	Date & Time	Special Resolutions passed
2014-15	Panjim Community Centre Near Four Pillars, Mala, Panaji, Goa	July 11, 2015 at 11.00 a.m.	<ul style="list-style-type: none"> <li>• To approve offer or invitation for subscription of Non-Convertible Debentures or other Debt Securities on Private Placement basis.</li> </ul>
2015-16	Main Hall of Institute Menezes Braganza, Panaji, Goa - 403 001	June 29, 2016 at 11.00 a.m.	<ul style="list-style-type: none"> <li>• To approve an offer or invitation for subscription of Non-Convertible Debentures or other Debt Securities upto Rs. 20,000 Crore on a Private Placement basis;</li> <li>• To waive the excess remuneration paid to Mr. Navin Agarwal, Whole-Time Director (DIN: 00006303) of the Company for FY 2013-14.</li> </ul>
2016-17	Rangsharda Auditorium, K.C. Marg, Bandra Reclamation, Bandra (West), Mumbai - 400 050.	July 14, 2017 at 10.30 a.m.	<ul style="list-style-type: none"> <li>• To consider appointment of Mr. G.R. Arun Kumar as Whole Time Director, designated as Chief Financial Officer (CFO) of the Company for the period from November 22, 2016 to November 21, 2019</li> <li>• To consider re-appointment of Mr. Thomas Albanese as Whole Time Director designated as Chief Executive Officer (CEO) of the Company for the period from April 1, 2017 to August 31, 2017</li> <li>• To approve offer or invitation to subscribe the Non-Convertible Debentures or other Debt Securities upto INR 20,000 crores on a Private Placement basis</li> <li>• To waive the excess remuneration paid to Mr. Navin Agarwal, Whole-Time Director (DIN:00006303) of the Company for FY 2013-14</li> </ul>

### Postal Ballot

There were no resolutions passed during the year 2017-18 through postal ballot

Further, none of the businesses that are proposed to be transacted at the forthcoming AGM require passing a resolution through postal ballot. Also, there is no immediate proposal for passing any resolution through postal ballot.

## Means of Communication

Effective communication of information to the shareholders forms a vital part of Corporate Governance.

Financial Results	<p>The Company intimates Quarterly/Half-Yearly/Annual Results to stock exchanges, immediately after the Board meetings at which they are approved.</p> <p>The results of the Company are also published within 48 hours of the conclusion of the meeting in at least one prominent national and one regional newspaper having wide circulation.</p> <p>The quarterly financial results during FY 2017-18 were published in the newspaper as detailed below:</p> <table border="1"> <thead> <tr> <th>Quarter (FY 2017-18)</th> <th>Date of Board Meeting</th> <th>Date of Publication</th> <th>Newspaper</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>July 25, 2017</td> <td>July 26, 2017</td> <td>Business Standard Maharashtra Times Economic Times</td> </tr> <tr> <td>2</td> <td>November 2, 2017</td> <td>November 3, 2017</td> <td>Financial Express Jansatta Navshakti (Marathi) Free Press Journal Business Standard Economic Times</td> </tr> <tr> <td>3</td> <td>January 31, 2018</td> <td>February 1, 2018</td> <td>Business Standard Economic Times Financial Express Maharashtra Times</td> </tr> <tr> <td>4</td> <td>May 3, 2018</td> <td>May 4, 2018</td> <td>Business Standard, Financial Express, Economic Times, Maharashtra Times</td> </tr> </tbody> </table> <p>Further, the financial results are also displayed on the Company's website: <a href="http://www.vedantalimited.com">www.vedantalimited.com</a> and posted on NSE Electronic Application Processing System (NEAPS) and BSE Corporate Compliance &amp; Listing Centre (the Listing Centre).</p> <p>Further, as a good corporate governance practice, the Company sends its quarterly financial results to shareholders whose email ids are registered with the depository participants through email after they are approved by the Board and disseminated to the stock exchanges.</p>	Quarter (FY 2017-18)	Date of Board Meeting	Date of Publication	Newspaper	1	July 25, 2017	July 26, 2017	Business Standard Maharashtra Times Economic Times	2	November 2, 2017	November 3, 2017	Financial Express Jansatta Navshakti (Marathi) Free Press Journal Business Standard Economic Times	3	January 31, 2018	February 1, 2018	Business Standard Economic Times Financial Express Maharashtra Times	4	May 3, 2018	May 4, 2018	Business Standard, Financial Express, Economic Times, Maharashtra Times
Quarter (FY 2017-18)	Date of Board Meeting	Date of Publication	Newspaper																		
1	July 25, 2017	July 26, 2017	Business Standard Maharashtra Times Economic Times																		
2	November 2, 2017	November 3, 2017	Financial Express Jansatta Navshakti (Marathi) Free Press Journal Business Standard Economic Times																		
3	January 31, 2018	February 1, 2018	Business Standard Economic Times Financial Express Maharashtra Times																		
4	May 3, 2018	May 4, 2018	Business Standard, Financial Express, Economic Times, Maharashtra Times																		
Website	<p>The Company's corporate website <a href="http://www.vedantalimited.com">www.vedantalimited.com</a> gives comprehensive information about the management, vision, mission, policies, corporate governance, sustainability and investor relations.</p> <p>The section on 'Investor Relations' serves to inform the shareholders, by giving up-to-date financial results, annual reports, shareholding patterns, official news releases, financial analysis reports, schedule of analyst meet, Notices and other general information about the Company.</p>																				
News Releases	Official news releases are sent to stock exchanges and simultaneously displayed on the Company's website: <a href="http://www.vedantalimited.com">www.vedantalimited.com</a> .																				
Presentations made to Institutional Investors and Analysts	The schedule of analyst/institutional investor meets and detailed presentations made to them are sent to stock exchanges and simultaneously are also posted on the Company's website: <a href="http://www.vedantalimited.com">www.vedantalimited.com</a> .																				
Annual Report	<p>In consonance with the Company's sustainability initiatives, the Company sends soft copies of Annual Reports to those shareholders whose email ids are registered with the Company. Hard copies are also sent to those shareholders whose email ids are not registered. Shareholders are requested to support this green initiative by registering/updating their e-mail addresses for receiving electronic communications.</p> <p>The complete Annual Report and Accounts of the Company are available on the Company's website: <a href="http://www.vedantalimited.com">www.vedantalimited.com</a>.</p>																				
Filing with Stock Exchanges	All filings with the stock exchanges are displayed on NEAPS and the Listing Centre																				
Chairman Communique	Printed copy of the Chairman's speech is distributed to each shareholder at the AGM. The speech is also placed on the website of the Company and published in the newspaper for better circulation.																				

# Report on Corporate Governance continued

## General Shareholder Information

### a) Annual General Meeting for FY 2017-18

The Board welcomes the opportunity to enter into dialogue with the shareholders at the forthcoming Annual General Meeting (AGM) and views it as an opportunity to engage with all the shareholders on the performance of the business they own.

The AGM is scheduled as per the below details:

Date : August 24, 2018

Time : 10:30 a.m. IST

Venue: Rangsharda Auditorium, K.C. Marg, Bandra Reclamation, Bandra (West), Mumbai – 400 050

A separate Notice of Meeting, containing an explanation of the items of special business, has been sent to shareholders and is available on the Company's website.

### b) Financial Year: April 1 to March 31

For the year ended March 31, 2018, the financial results were considered and approved by the Board in their meeting held on the following dates:

First Quarter Ended Results : July 25, 2017  
 Second Quarter and Half Year Ended Results : November 2, 2017  
 Third Quarter Ended Results : January 31, 2018  
 Fourth Quarter and Year Ended Results : May 3, 2018

The tentative dates of meeting of the Board to consider and approve the quarterly financial results for FY 2018-19 are as follows:

First Quarter Ended Results : End July 2018  
 Second Quarter and Half Year Ended Results : End October 2018  
 Third Quarter Ended Results : End January 2019  
 Fourth Quarter and Year Ended Results : End April 2019

### c) Dividend

During the year, the Company has paid the following dividend:

Date of Board Meeting	Type of Security	Type of Dividend	Amount of Dividend	Record Date
March 13, 2018	Equity Shares	Interim Dividend	Rs. 21.20 per share	Wednesday, March 21, 2018
	Preference Shares	Preference Dividend	Rs. 0.75 per share on Pro-rata basis	

The Board have not recommended any final dividend.

### d) Book Closure

The Register of Members and Share Transfer Books of the Company will remain closed from Monday, August 20, 2018 to Thursday, August 23, 2018 (both days inclusive).

### e) Listing Details

	Scrip Code	ISIN code
<b>BSE Limited (BSE)</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001		
Equity	500295	INE205A01025
Preference (7.50% Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs.10/- each fully paid up)	700134	INE205A04011
<b>National Stock Exchange of India Limited (NSE)</b> Exchange Plaza, Plot No. C/1, G-Block, Bandra Kurla Complex, Bandra(East), Mumbai - 400 051		
Equity	VEDL	INE205A01025
Preference (7.50% Non-Cumulative Non-Convertible Redeemable Preference Shares of Rs.10/- each fully paid up)	VEDL P1	INE205A04011
<b>New York Stock Exchange (NYSE)</b> American Depository Shares (ADS)		
	VEDL	CUSIP 92242Y100

The Company's Non-Convertible Debentures are listed on the BSE Limited (BSE). The company has paid annual listing fees as applicable to BSE Limited, National Stock Exchange of India Limited and New York Stock Exchange.

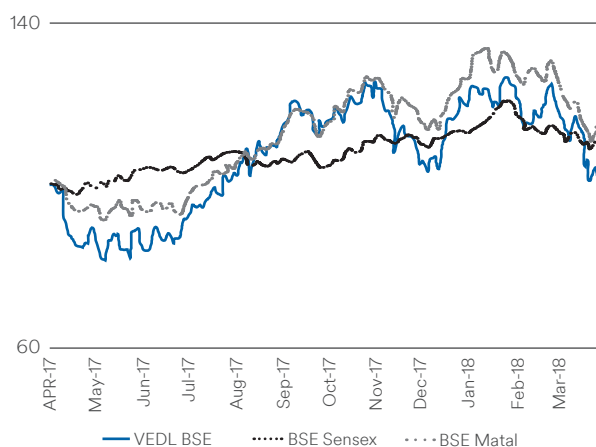


#### f) Stock Market Data for FY 2017-18

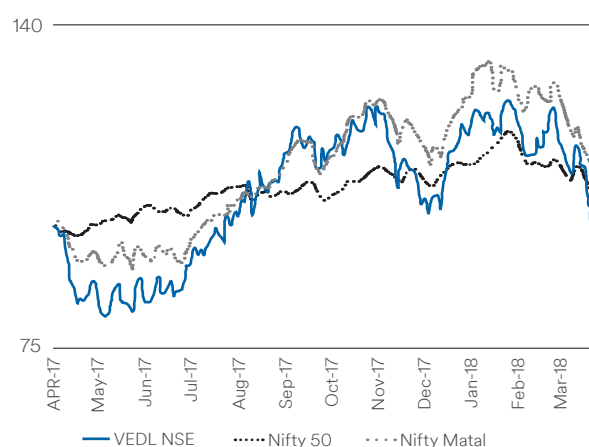
High, Low (based on the closing prices) during each month of FY 2017-18 on NSE, BSE and the New York Stock Exchange, US (NYSE) is given below:

Date	BSE		NSE		NYSE	
	High Price	Low Price	High Price	Low Price	High Price	Low Price
April-17	278.00	226.60	277.50	226.50	17.19	14.22
May-17	248.35	217.95	248.45	217.75	15.78	13.78
June-17	252.70	226.60	252.65	226.50	15.60	14.24
July-17	283.60	250.00	283.70	250.40	17.72	15.6
August-17	310.00	276.70	310.25	276.60	19.68	17.27
September-17	334.50	297.20	334.65	297.00	20.92	18.75
October-17	345.00	310.55	345.20	310.15	21.38	19.27
November-17	346.80	291.05	346.40	294.00	21.63	17.96
December-17	335.20	277.60	335.50	277.65	21.16	17.35
January-18	355.70	318.90	355.70	318.70	21.99	20.45
February-18	345.80	305.00	346.20	305.15	21.67	18.75
March-18	334.00	269.00	333.65	268.75	20.29	17.03

#### Company's Share Performance versus BSE Sensex and BSE Metal Index



#### Company's Share Performance versus NIFTY 50 and NIFTY Metal



#### g) Share Transfer System

Requests for Transfer/ Transmission of shares held in physical form can be lodged with the Karvy. The requests are approved by the Company and the same is generally processed within 15 days of receipt of clear and valid documents.

Pursuant to Regulation 40(9) of Listing Regulations, a certificate on half yearly basis, was issued by the Company Secretary in practice confirming due compliance of share transfer formalities by the Company.

Audits were also carried out by the practicing Company Secretary to reconcile the total admitted capital with NSDL and CDSL. The reports for the same were submitted to BSE and NSE. The audit confirms that the total issued / paid up and listed capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

#### h) Distribution of Shareholding

i) Shareholding according to shareholders class as on March 31, 2018;

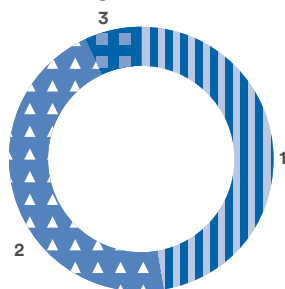
Shareholding of Nominal value of Re. 1/-	No. of shareholders	% of Total shareholders	Number of shares held	Shareholding (%)
1 – 5000	488,129	98.61	120,139,389	3.23
5001 – 10000	3,739	0.76	27,106,409	0.73
10001 – 20000	1,493	0.30	20,836,110	0.56
20001 – 30000	380	0.08	9,389,967	0.25
30001 – 40000	202	0.04	6,921,901	0.19
40001 – 50000	123	0.02	5,581,859	0.15
50001 – 100000	201	0.04	14,337,351	0.39
100001 and above	726	0.15	3,512,883,653	94.50
<b>Total</b>	<b>494,993</b>	<b>100.00</b>	<b>3,717,196,639</b>	<b>100.00</b>

## Report on Corporate Governance continued

Categories of Shareholders are as under:

Sr. No.	Category	March 31, 2018	
		No. of shares held	Percentage of shareholding
		Face value Re. 1/-	
<b>(a) Promoter's holding</b>			
	Indian promoters	160,656	0.00
	Foreign promoters (excluding ADR)	1,764,165,424	47.46
<b>(b) Public Shareholding</b>			
	Banks, Mutual funds, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/ Non-Govt. Institutions)	484,199,672	13.02
	FII's /Foreign Corporate Bodies	670,943,793	18.05
	Private Corporate Bodies	314,891,571	8.47
	Indian Public	197,237,944	5.31
	NRIs	6,231,007	0.17
	Trust	15,141,557	0.41
	H U F	7,306,549	0.20
	Clearing Members	6,134,255	0.17
	Foreign Bodies-DR	2,359,415	0.06
	Foreign Nationals	100	0.00
<b>(c) American Depository Receipts</b>		248,424,696	6.68
<b>Grand Total</b>		<b>3,717,196,639</b>	<b>100.00</b>

Shareholding as on March 31, 2018



- 1 - Promoter's holding  
2 - Public Shareholding  
3 - American Depository Receipts

### Top Ten Shareholders (including holding of less than 1% of the Capital) as on March 31, 2018

Name of the Shareholder	No. of shares held	Shareholding (%)
TWINSTAR HOLDINGS LIMITED	1,280,084,749	34.44
FINSIDER INTERNATIONAL COMPANY LIMITED	401,496,480	10.80
CITIBANK N.A. NEW YORK, NYADR DEPARTMENT	248,573,117	6.69
LIC OF INDIA HEALTH PLUS FUND	236,640,744	6.37
PREM PRAKASH GOYAL	185,806,863	5.00
HDFC TRUSTEE CO LTD A/C HDFC RETIREMENT SAVINGS FU	64,029,452	1.72
WESTGLOBE LIMITED	44,343,139	1.19
PTC CABLES PRIVATE LTD	42,730,200	1.15
ADITYA BIRLA SUN LIFE TRUSTEE PRIVATE LIMITED A/C	40,366,128	1.09
WELTER TRADING LIMITED	38,241,056	1.03

\*In addition, Twin Star Holdings Limited holds 24,823,177 American Depository shares (ADS) representing 99,292,708 equity shares of Re. 1/- each wherein Citibank NA, New York is the depository for all ADS

### i) Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

#### Fluctuation in commodity prices (including oil)

**Impact:** Prices and demand for the Group's products are expected to remain volatile / uncertain and strongly influenced by global economic conditions. Volatility in commodity prices and demand may adversely affect our earnings, cash flow and reserves.

**Mitigation:** Our Group has a well-diversified portfolio, which acts as a hedge against fluctuations in commodities and delivers

cash flows through the cycle. We consider exposure to commodity price fluctuations to be an integral part of our Group's business and its usual policy is to sell its products at prevailing market prices, and not to enter into long-term price hedging arrangements. However, to minimise price risk for finished goods where price of raw material is also determined by same underlying base metal prices (e.g. purchase of alumina, copper concentrate for manufacturing and selling copper and aluminium products, respectively) we employ back-to-back hedging. In exceptional circumstances, we may enter into strategic hedging with prior approval of the Executive

Committee. The Group monitors the commodity markets closely to determine the effect of price fluctuations on earnings, capital expenditure and cash flows.

#### Currency exchange rate fluctuations

**Impact:** Our assets, earnings and cash flows are influenced by a variety of currencies due to the diversity of the countries in which we operate. Fluctuations in exchange rates of those currencies may have an impact on our financials. Although the majority of the Group's revenue is tied to commodity prices that are typically priced by reference to the US dollar, a significant part of its expenses are incurred and paid in local currency. Moreover, some of the Group borrowings are denominated in US dollars, while a large percentage of cash and liquid investments are held in other currencies, mainly in the Indian rupee. Any material fluctuations of these currencies against the US dollar could result in lower profitability or in higher cash outflows towards debt obligations.

**Mitigation:** We do not speculate in forex. We have developed robust controls in forex management to monitor, measure and hedge currency risk liabilities. The Finance Standing Committee (FSC), reviews the forex-related matters periodically and suggests necessary courses of action as may be needed by businesses from time to time, and within the overall framework of the forex policy.

Exposures on foreign currency loans are managed through the Group wide hedging policy, which is reviewed periodically to ensure that the results from fluctuating currency exchange rates are appropriately managed. The Group strives to achieve asset liability offset of foreign currency exposures and only the net position is hedged. The Group uses forward exchange contracts, currency swaps and other derivatives to hedge the effects of movements in exchange rates on foreign currency denominated assets and liabilities. The sources of foreign exchange risk are outstanding amounts payable for imported raw materials, capital goods and other supplies as well as financing transactions and loans denominated in foreign currencies. The Group is also exposed to foreign exchange risk on its net investment in foreign operations. Most of these transactions are denominated in US dollars. Short-term net exposures are hedged progressively based on their maturity. A more conservative approach has been adopted for project expenditures to avoid budget overruns, where cost of the project is calculated taking into account the hedge cost. However all new long-term borrowing exposures are being hedged. The hedge mechanisms are reviewed periodically to ensure that the risk from fluctuating currency exchange rates is appropriately managed.

Description	No. of shareholders	No. of Equity shares of Re. 1 each
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	1,042	13,54,845
Number shares of Sesa Goa Limited transferred to the unclaimed suspense account during the year;	3,389	28,21,712
Number of shareholders who approached issuer for transfer of shares from suspense account during the year;	(48)	91,659
Number of shareholders to whom shares were transferred from suspense account during the year;	0	0
Number of shares transferred to IEPF account pursuant to Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with Amendment Rules, 2017	(410)	688,680
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year. The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.	<b>3,973</b>	<b>3,396,218</b>

#### j) Dematerialisation of Shares and Liquidity

The Company's shares are compulsorily traded in dematerialised form on the stock exchanges. As on March 31, 2018, over 99% shares of the Company were held in dematerialised form.

The number of shares held in dematerialised form and physical mode as on March 31, 2018 is detailed below:

Form/Mode	No. of Shares	In Percentage
Dematerialised Form:		
NSDL	3,325,197,879	89.45%
CDSL	376,378,029	10.12%
Physical Mode	15,620,731	0.42%
<b>Total</b>	<b>3,717,196,639</b>	<b>100%</b>

#### Note:

- 308232 equity shares are pending for allotment and listing hence, are kept under abeyance category since they are under dispute.
- The Company has allotted 2400 equity shares of Re.1/- each on March 26, 2018 in physical mode from the abeyance category. The application for listing of these shares with BSE Limited and The National Stock Exchange of India Limited has been filed by the Company on April 10, 2018 and the approval is awaited.

The equity shares of the Company are freely tradable in the market and are among the most liquid and actively traded shares in the stock exchanges.

#### k) Outstanding GDRS/ADRS/Warrants/Options

In June 2007 and July 2009, Company issued 150,000,000 and 131,906,011 ADS, which are listed and traded on the New York Stock Exchange (NYSE). Pursuant to the Scheme of Amalgamation and Arrangement, ADS were listed with NYSE of which 62,106,174 representing ADS were outstanding as on March 31, 2018. As of the year end, there were nine (9) registered holders of the ADS. Citibank N.A., New York acts as the Depository for the ADS / ADR issued by the Company.

#### l) Unclaimed Shares

Pursuant to the SEBI Circular and Regulation 39 of the Listing Regulations regarding the procedure to be adopted for unclaimed shares issued in physical form in public issue or otherwise the Company has a separate demat account in the title of 'Vedanta Limited – Unclaimed Suspense Account with M/s Karvy Stock Broking Limited.

## Report on Corporate Governance continued

### m) Listing of Debt Securities

The following Secured Redeemable Non-Convertible Debentures (NCDs) are listed with the BSE Limited and ISIN number with National Securities Depositories Limited:

S. No	ISIN Number	Issuance date	Maturity date	Coupon rate	Payment frequency	Embedded opt on if any	No. of NCDs (face value of Rs. 10 lakh each)	Amount (in Crores)
1	INE268A07145*	5-Apr-13	5-Apr-23	9.10%	Annually	Call/Put option date: 05 April 2018	25000	2500
2	INE268A07152	4-Jul-13	4-Jul-23	9.17%	Annually	Call/Put option date: 04 July 2018	7500	750
3	INE268A07160	5-Jul-13	5-Jul-23	9.17%	Annually	Call/Put option date: 05 July 2018	4500	450
4	INE205A07030	17-Aug-15	17-Aug-20	9.45%	Annually	NA	20000	2000
5	INE205A07048	30-Sep-16	20-Apr-20	8.70%	Interest compounded annually and payable at maturity	NA	6000	600
6	INE205A07055	30-Sep-16	27-Sep-19	8.65%	Interest compounded annually and payable at maturity	NA	1500	150
7	INE205A07063	7-Oct-16	15-Apr-21	8.75%	Interest compounded annually and payable at maturity	NA	2500	250
8	INE205A07071	7-Oct-16	15-Sep-21	8.75%	Interest compounded annually and payable at maturity	NA	2500	250
9	INE205A07089	28-Oct-16	28-Oct-19	8.25%	Annually	NA	3000	300
10	INE205A07097	22-Nov-16	22-Apr-20	7.95%	Annually	Call/Put option date: 22 Nov 2019	3000	300
11	INE205A07105	30-Nov-16	29-Nov-19	7.50%	Annually	NA	2000	200
12	INE205A07113	31-May-17	31-May-19	7.60%	Annually	NA	3500	350
13	INE205A07121	20-Dec-17	4-Dec-20	7.80%	Annually	NA	5000	500

\*The Company exercised the call option and redeemed the debentures (ISIN no. INE268A07145) on April 5, 2018 as per Information Memorandum

#### Debenture Trustees:

Axis Trustee Services Limited  
2<sup>nd</sup> Floor, Wadia International Centre,  
Pandurang Budhkar Marg, Worli,  
Mumbai – 400 025

### n) Plant Locations

Division	Location
Copper Anodes (Smelter), Refinery, Continuous Cast Copper Rods	● SIPCOT Industrial Complex, Madurai By-pass Road, T.V. Puram PO, Tuticorin – 628 002 Tamil Nadu, India.
Copper Cathodes (Refinery) and Continuous Cast Copper Rods / Wire	● 1/1/2 Chinchpada, Silvassa – 396 230 Union Territory of Dadra and Nagar Haveli, India
Continuous Cast Copper Rods	● 209-B, Piparia Industrial Estate, Piparia, Silvassa – 396 230, Union Territory of Dadra and Nagar Haveli, India
Iron Ore – Mining	● Megalahally Office Complex, Megalahally Village, Hireguntanur, Hobli, Chitradurga Taluk and district, Karnataka, India*
Pig Iron Division 1	● Sy NO 39,41,36/1 (p) 37 (P), 42/1 (p) 43/1 (p) Amona, P.O. Marcel, Bicholim, Goa - 403107, India
Metallurgical Coke (Met Coke)	● 207, Navelim, Sankhalim, Bicholim Goa - 403505, India
PIG Iron Division 2	● SY No 177 N 120 (P) Navelim P.O. Sanquelim Bicholim Goa 403505
Aluminium Smelters	● PMO Office, Bhurkhamuda, PO-Sripura, Dist – Jharsuguda, Odisha – 768 202, India

Division	Location
Alumina Refinery	<ul style="list-style-type: none"> <li>Alumina Refinery Project, At / PO – Lanjigarh, Via – Viswanathpur, Kalahandi, Lanjigarh, Odisha – 766 027, India</li> </ul>
Aluminium	<ul style="list-style-type: none"> <li>Post Box No. 4, Mettur Dam R.S. - 636 402, Salem District, Tamil Nadu, India</li> </ul>
Power	<ul style="list-style-type: none"> <li>Bhurkhamunda, PO -Sripura, Dist- Jharsuguda Odisha, Pin-768202, India</li> <li>Power Plant 1, Plot s/y No 44/4 &amp; 44/5, Amona Village, Navellim, Bicholim – Goa - 403107, India</li> <li>SIPCOT Industrial Complex, Meelavitan, Tuticorin, Tamil Nadu, Pin-628002, India</li> </ul>
Oil & Gas	<ul style="list-style-type: none"> <li>Assets <ul style="list-style-type: none"> <li>RJ-ON-90/1 - Barmer Basin -India</li> <li>CB/OS-2 - Cambay Basin -India</li> <li>PKGM-1 Ravva - Krishna Godavari Basin -India</li> <li>KG-ONN-2003/1- Krishna Godavari Basin -India</li> <li>KG-OSN-2009/3 - Krishna Godavari Basin -India</li> <li>Block-01- Orange Basin – South Africa</li> </ul> </li> <li>Pipeline <ul style="list-style-type: none"> <li>Radhanpur Terminal, Patan, Gujarat</li> <li>Viramgam Terminal, Ahmedabad</li> <li>Bhogat Terminal, Dwarka, Gujarat</li> </ul> </li> <li>Plant <ul style="list-style-type: none"> <li>Mangala Processing Terminal, Barmer, Rajasthan</li> <li>Raageshwari Gas Terminal, Rajasthan</li> </ul> </li> </ul>

\*The Supreme Court passed its final order in SLP (C) 32138/2015 (with connected matters), the M/s Goa Foundation v/s Sesa Sterlite Limited & Others on February 7, 2018 wherein it quashed the second renewals granted for the mining leases by the State of Goa. The court directed all lease holders operating under a second renewal to stop all mining operations with effect from March 16, 2018 until fresh mining leases (not fresh renewals or other renewals) are granted and fresh environmental clearances are granted.

### Kotak Committee Recommendations

In light of various developments in the realm of corporate governance across the globe and in continuation of its role as a proactive regulator, the Securities and Exchange Board of India (SEBI) in its Board meeting held on March 28, 2018 had approved various recommendations of the Report of Kotak Committee on Corporate Governance. Moreover, the SEBI vide its notification dated May 9, 2018 and May 10, 2018 have notified the timelines for implementation of the recommendations.

Your Company is already compliant with majority of the recommendations of the Kotak Committee as approved by the SEBI.

In line with the Company's constant endeavour to adopt the best governance practice, the Company has voluntarily taken steps to follow the discretionary requirements. The table provided below highlights the status of compliance of your Company with the report. Further, the Company is analysing and taking steps for ensuring compliance of the other recommendations of the Committee.

Recommendation	Requirement	Effective Date	Status of implementation
Minimum Number of Directors on a Board	6 directors	April 1, 2019	Already Compliant The Company has currently 9 Directors on Board.
Gender Diversity on the Board	Atleast one woman as an independent director to be on the Board	April 1, 2019	Already Compliant: The Company has 2 woman directors on Board including 1 Independent Director (ID)
Quorum for Board Meetings	One-third of its total strength or three directors, whichever is higher, including at least one independent director	April 1, 2019	Fully Compliant The meetings of the board are always convened with presence of atleast 1 ID.  During the FY 2017-18, minimum 50% of IDs were present.
Quorum for Nomination and Remuneration Meetings	NRC to meet atleast once in a year 2 members or one-third members of the committee, whichever is higher including atleast one ID in a year.	April 1, 2019	Already Compliant The NRC meets more than once in a year (6 times during the FY 2017-18 with presence of 75% IDs).
Maximum Number of Directorships	No person shall hold office as a director, including any alternate directorship, in more than eight listed entities at the same time (of which independent directorships shall not exceed seven), with effect from April 1, 2019 and not more than seven listed entities with effect from April 1, 2020:	April 1, 2019/ April 1, 2020 as applicable	Fully Compliant As on March 31, 2018, none of the Directors holds office in more than 7 listed entities.



## Report on Corporate Governance continued

Recommendation	Requirement	Effective Date	Status of implementation
Eligibility Criteria for Independent Directors	IDs to provide confirmation that: <ul style="list-style-type: none"> <li>• They are or were not a promoter of the listed entity or its holding, subsidiary or associate company or</li> <li>• member of the promoter group of the listed entity;</li> <li>• who is not a non-independent director of another company on the board of which any non-independent director of the listed entity is an independent director.</li> </ul>	October 1, 2018	Fully Compliant The Company has already taken confirmations from the IDs for FY 18-19 in this regard.
Alternate Directors for Independent Directors	No person to be appointed or continue as an alternate director for an Independent Director.	October 1, 2018	Fully Compliant
Role of Audit Committee	Role of the Audit Committee to include reviewing the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower.	April 1, 2019	Fully Compliant The details are placed before the Board
Role of Risk Management Committee (RMC)	RMC to meet atleast once in a year.  The role of RMC shall specifically cover cyber security.	April 1, 2019	Already Compliant During the FY 2017-18, RMC met 3 times. Further, the role of RMC already includes cyber security.
Material Transaction by unlisted subsidiary companies	The unlisted subsidiary to bring to the board of the listed entity a statement of all the significant transactions entered into by the unlisted subsidiary.	April 1, 2019	Already Compliant The minutes of meetings of Audit Committee and Board of subsidiary companies are placed at the Board and Audit committee of the Company.
Timeline for Annual General Meetings of Listed Entities	AGM to be conducted within a period of five months from the date of closing of the financial year with effect from the financial year beginning April 1, 2018.	April 1, 2019	Already Compliant: AGM is conducted in the month of July every year.
Disclosure on website	Separate section on website for investors and to provide all information mandated under Regulation 46 of the Listing Regulations.	April 1, 2019	Already Compliant

### Other Disclosures

#### a) Framework for monitoring Subsidiary Companies

As per the recommendation of the Kotak Committee on Corporate Governance, the definition of the material subsidiary as per the provision of Regulation 16(1)(c) has been amended. As per the recommendation, **“material subsidiary” means a subsidiary whose income or net worth exceeds 10% of the consolidated income or net worth of the listed entity.**

In terms of clause (c) of sub-regulation (1) of Regulation 16 of the existing Listing Regulations ‘material subsidiary’ means **a subsidiary, whose income or net worth exceeds twenty percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.**

In compliance with the said regulation, the Company has a policy on Determining Material Subsidiary, which has been approved by the Board and the same has been displayed on the Company’s website at <http://www.vedantalimited.com>.

As on March 31, 2018, there is no material unlisted subsidiary of the Company in terms of the provisions of Regulation 24(1) of the Listing Regulations.

The management of subsidiary companies is carried out by their separate Board of Directors who are empowered to exercise all the duties and rights for efficient monitoring and management of the companies. The Company oversees and monitors the performance of subsidiary companies by following means:

- The Audit Committee reviews the financial statements and, in particular, the investments made by the subsidiary companies;
- The minutes of the Board meeting of the subsidiary companies is placed before the Board of the Company for their review;
- A statement of all significant transactions of the subsidiary companies is placed before the Board of Directors of the Company for its review.

#### b) Materially Significant Related Party Transactions

Pursuant to Section 188 of the Companies Act, 2013 and Regulation 23 of the Listing Regulations, all the Related Party Transactions were at arm’s length price and the same were duly approved by the Audit Committee.

Explanation to sub-regulation (1) of Regulation 23 of Listing Regulations provides that **“A transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual**

**consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.”**

Further, as per the recommendations of the Kotak Committee, a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds two percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

Proper disclosures by the members of the Board of Directors and KMPs relating to material financial and commercial transactions whether held directly/ indirectly or on behalf of third parties were given to the Board.

In compliance with the said regulation, the Company has a policy on Related Party Transactions, which has been approved by the Board and the same has been displayed on the Company's website at <http://www.vedantalimited.com>.

A comprehensive list of related party transactions as required under IndAS 24 as prescribed in Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standard) Amendment Rules, 2016, forms part of Notes to the Financial Statements in the Annual Report.

**c) Non-Compliance by the Company, Penalties, Strictures imposed by Stock Exchange or SEBI or any Statutory Authority on any matter related to Capital Markets during the last three years**

There has been no non-compliance by the Company or penalty, strictures imposed by stock exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

**Discretionary Requirements**

Status of implementation of discretionary requirements as mentioned in Part E of Schedule II under Listing Regulations is as follows:

	Requirement	Status
The Board	A non-executive chairperson may be entitled to maintain a chairperson's office at the listed entity's expense and also allowed reimbursement of expenses incurred in performance of his duties.	The Board of the Company is chaired by an Executive Director who maintains the Chairman's office at the Company's expense.
Shareholder Rights	A half-yearly declaration of financial performance including summary of the significant events in last six-months, may be sent to each household of shareholders.	Quarterly financial results were sent to those shareholders whose email id was registered with the Company.
Modified opinion(s) in audit report	To move towards a regime of financial statements with unmodified audit opinion.	There was no qualification by the auditors on the financial statements of the Company.
Separate posts of chairperson and chief executive officer	Appoint separate persons to the post of chairperson and managing director or chief executive officer.	The office of Chairman and Chief Executive Officer of the Company are held by different individuals.
Reporting of internal auditor	Internal auditor may report directly to the audit committee.	The same is reported by briefing the Audit Committee through discussion and presentation of the observations, review, comments and recommendations, amongst others in the Internal Audit presentation by the Company's Internal Auditor.

**d) Vigil Mechanism/Whistle Blower Policy**

Your Company is committed to highest standards of ethical, moral and legal business conduct. The Company has in place a Whistle Blower Policy, as part of vigil mechanism which provides appropriate avenues to the Directors and employees to bring to the attention of the management instances of unethical behaviour, actual or suspected incidents of fraud or violation of the Company's Code of Conduct that could adversely impact the Company's operations, business performance and / or reputation.

The Audit Committee has laid down certain procedures governing the receipt, retention and treatment of complaints regarding the Company's accounting, internal accounting controls or auditing matters, and protecting the confidential, anonymous reporting by Director(s) or employee(s) or any other person regarding questionable accounting or auditing matters.

The Company also has a designated email id [sgl.whistleblower@vedanta.co.in](mailto:sgl.whistleblower@vedanta.co.in) for reporting complaints. Further, the complaints can also be lodged on the web-based portal [www.vedanta.ethicspoint.com](http://www.vedanta.ethicspoint.com).

The Whistle Blower Policy forms part of the Code of Business Conduct and Ethics, and the same has been displayed on the Company's website at <http://www.vedantalimited.com>.

During the year, the concerns reported under this mechanism have been scrutinised and appropriate actions were undertaken. It is also affirmed that no personnel has been denied access to the Audit Committee.

## Report on Corporate Governance continued

### Disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of Sub-Regulation (2) of Regulation 46 of Listing Regulations

S. No.	Particulars	Regulation	Compliance Status (Yes/No/NA)	Complied with the following
1	Board of Directors	17	Yes	<ul style="list-style-type: none"> <li>• Composition {17(1)}</li> <li>• Frequency of Meetings {17(2)}</li> <li>• Review of Compliance Report {17(3)}</li> <li>• Plans for orderly succession for appointments {17(4)}</li> <li>• Code of Conduct {17(5)}</li> <li>• Fees / compensation to Non-Executive Directors {17(6)}</li> <li>• Minimum information to be placed before the Board {17(7)}</li> <li>• Compliance Certificate {17(8)}</li> <li>• Risk assessment and management {17(9)}</li> <li>• Performance evaluation of Independent Directors {17(10)}</li> </ul>
2	Audit Committee	18	Yes	<ul style="list-style-type: none"> <li>• Composition {18(1)}</li> <li>• Meetings {18(2)(a) and (b)}</li> <li>• Powers of the Committee {18(2)(c)}</li> <li>• Role of the Committee and review of information by the Committee {18(3)}</li> </ul>
3	Nomination and Remuneration Committee	19	Yes	<ul style="list-style-type: none"> <li>• Composition {19(1)}</li> <li>• Chairperson {19(2) and (3)}</li> <li>• Role of the Committee {19(4)}</li> </ul>
4	Stakeholder Relationship Committee	20	Yes	<ul style="list-style-type: none"> <li>• Composition {20(1)}</li> <li>• Chairperson {20(2)}</li> <li>• Other Members {20(3)}</li> <li>• Role of the Committee {20(4)}</li> </ul>
5	Risk Management Committee	21	Yes	<ul style="list-style-type: none"> <li>• Composition {21(1) and (2)}</li> <li>• Chairperson {21(3)}</li> <li>• Role of the Committee {21(4)}</li> </ul>
6	Vigil Mechanism	22	Yes	<ul style="list-style-type: none"> <li>• Formulation of Vigil Mechanism for Directors and employees {22(1)}</li> <li>• Director access to Chairperson of Audit Committee {22(2)}</li> </ul>
7	Related Party Transactions	23	Yes	<ul style="list-style-type: none"> <li>• Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions {23(1)}</li> <li>• Approval including omnibus approval of Audit Committee {23(2) and (3)}</li> <li>• Review of Related Party Transactions</li> <li>• There were no material Related Party Transactions</li> </ul>
8	Subsidiaries of the Entity	24	Yes	<ul style="list-style-type: none"> <li>• There was no material subsidiary of the Company and as a result the other compliance in respect of material subsidiary were not applicable {24(1)}</li> <li>• Review of financial statements of unlisted subsidiary by the Audit Committee {24(2)}</li> <li>• Minutes of Meetings of Board of unlisted subsidiary placed at meeting of the listed entity {24(3)}</li> <li>• Significant transactions and arrangements of unlisted subsidiary {24(4)}</li> </ul>
9	Obligations with respect to Independent Directors	25	Yes	<ul style="list-style-type: none"> <li>• Maximum directorships and tenure {25(1) and (2)}</li> <li>• Meetings of Independent Directors {25(3) and (4)}</li> <li>• Replacement {25(6)}</li> <li>• Familiarisation of Independent Directors {25(7)}</li> </ul>
10	Obligations with respect to Directors and Senior Management	26	Yes	<ul style="list-style-type: none"> <li>• Memberships / Chairmanships in Committees {26(1) and (2)}</li> <li>• Affirmation on compliance of Code of Conduct by Directors and Senior Management {26(3)}</li> <li>• Disclosure of shareholding by Non-Executive Directors {26(4)}</li> <li>• Disclosures by Senior Management about potential conflicts of interest {26(5)}</li> </ul>
11	Other Corporate Governance Requirements	27	Yes	<ul style="list-style-type: none"> <li>• Compliance with discretionary requirements {27(1)}</li> <li>• Filing of quarterly compliance report on Corporate Governance {27(2)}</li> </ul>
12	Website	46	Yes	<ul style="list-style-type: none"> <li>• Maintaining Functional Website {46(1)}</li> <li>• Details disseminated on website {46(2)}</li> <li>• Contents on website and updating the website {46(3)}</li> </ul>

**Good Governance Policies of the Company**

The company constantly strives to conduct its business and strengthen its relationships in a dignified, distinctive and responsible manner. The Company has adopted several policies and guidelines for ethical and transparent conduct of its business and operations.

These include:

- Insider Trading Prohibition Policy;
- Policy on Prevention of Sexual Harassment at Work Place;
- Dividend Distribution Policy;
- Policy for determination material events/UPSI and archival;
- Nomination & Remuneration Policy;
- Related Party Transaction Policy;
- Determining Material Subsidiary Policy;

- Corporate Social Responsibility Policy;
- Biodiversity Policy;
- Energy and Carbon Policy;
- HIV AIDS Policy;
- Health, Safety & Environment Policy;
- Human Rights Policy;
- Supplier and Contractor Management Policy;
- Water Management Policy.

The policies are also available on the website of the Company at <http://www.vedantalimited.com>.

**o) Address for Correspondence****Company's Registered Office Address**

Vedanta Limited  
1<sup>st</sup> Floor, 'C' Wing, Unit 103, Corporate Avenue,  
Atul Projects, Chakala, Andheri (East),  
Mumbai – 400 093, Maharashtra, India.  
T +91 22 66434500 /Fax +91 22 66434530  
Email id : [comp.sect@vedanta.co.in](mailto:comp.sect@vedanta.co.in)  
Website: [www.vedantalimited.com](http://www.vedantalimited.com)  
CIN : L13209MH1965PLC291394

**Registrar and Transfer Agent**

Karvy Computershare Private Limited  
Karvy Selenium Tower B,  
Plot 31-32, Gachibowli Financial District,  
Nanakramguda  
Hyderabad – 500 032  
Tel: +91 40 6716 2222  
Fax: +91 40 2300 1153  
Email: [einward.ris@karvy.com](mailto:einward.ris@karvy.com)

**Compliance Officer**

Ms. Bhumika Sood  
Company Secretary & Compliance Officer  
Tel : +91 124 – 4593 000  
Email : [comp.sect@vedanta.co.in](mailto:comp.sect@vedanta.co.in)

**Investor Relations**

Ms. Rashmi Mohanty  
Group Head Treasury & Director – Investor Relations  
Phone : +91 124 – 4593 000  
Email : [ir@vedanta.co.in](mailto:ir@vedanta.co.in)

**Corporate Communications**

Mr. Arun Arora  
Head, Group Communications  
Tel : +91 124 – 4593 000  
Email : [gc@vedanta.co.in](mailto:gc@vedanta.co.in)

**Retail Shareholders**

Ms. Bhumika Sood  
Company Secretary & Compliance Officer  
Tel : +91 124 – 4593 000  
Email : [comp.sect@vedanta.co.in](mailto:comp.sect@vedanta.co.in)

**Annexure I**

Declaration by Chief Executive Officer on Code of Business Conduct and Ethics of the Company

As Interim Chief Executive Officer of Vedanta Limited and as required under the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, Kuldip Kumar Kaura, hereby declare that all members of the Board and senior management personnel have affirmed compliance with the Code of Business Conduct and Ethics of the Company for FY 2017-18.

Place: Mumbai  
Date May 03, 2018

For Vedanta Limited  
**Kuldip Kumar Kaura**  
Interim Chief Executive Officer

# Report on Corporate Governance continued

## Annexure II

### Certification

We, Kuldip Kumar Kaura, Interim Chief Executive Officer and GR Arun Kumar, Whole-Time Director & Chief Financial Officer, certify that:

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting, and we have not noticed any deficiency in the design or operation of such internal controls, or of which we are aware that needs to be rectified, or informed to the auditors and the Audit Committee.
- D. During the year it was disclosed to the Auditors and the Audit Committee that:
- (1) There were no significant changes in internal control over financial reporting;
  - (2) No significant changes in accounting policies were made during the year that require disclosure in the notes to the financial statements; and
  - (3) No instances of significant fraud and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting, has come to our notice.

#### **Kuldip Kumar Kaura**

Interim Chief Executive Officer  
PAN: AFVPK8712R

Place: Mumbai  
Date: May 03, 2018

#### **GR Arun Kumar**

Whole-Time Director & Chief  
Financial Officer  
DIN: 01874769



## Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Members  
Vedanta Limited  
1st Floor, 'C' Wing  
Unit 103, Corporate Avenue, Atul Projects  
Chakala, Andheri (E),  
Mumbai

1. The accompanying Corporate Governance Report prepared by Vedanta Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2018.

### Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

### Auditors' Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 1 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagements.
7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:
  - i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;
  - ii. Obtained and verified that the composition of the Board of Directors w.r.t executive and non-executive directors has been met throughout the reporting period;
  - iii. Obtained and read the Directors register as on March 31, 2018 and verified that at-least one women director was on the Board during the year;
  - iv. Obtained and read the minutes of the following committee meetings held from April 1, 2017 to March 31, 2018:
    - (a) Board of Directors meeting;
    - (b) Audit committee;
    - (c) Nomination and remuneration committee;
    - (d) Stakeholders Relationship Committee; and
    - (e) Risk management committee
  - v. Obtained necessary representations and declarations from directors of the Company including the independent directors ; and
  - vi. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

## Report on Corporate Governance continued

### Opinion

8. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable as at March 31, 2018, referred to in paragraph 1 above.

### Other matters and Restriction on Use

9. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to Corporate Governance Report accompanied with by a report thereon from the statutory auditors and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

### For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Raj Agrawal

Partner

Membership Number: 82028

Place: Mumbai

Date: May 03, 2018