

Operator: Ladies and gentlemen, good day and welcome to the Q1 FY27 earnings conference call of Vedanta Limited, Vedanta Aluminium, Vedanta Iron and Steel, Vedanta Power, and Vedanta Oil and Gas.

As a reminder, all participant lines will be in the listen-only mode. There will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star and then zero on your touchtone phone. Please note that this conference is being recorded.

Participants connected on the webcast link may change the quality settings to 1080p to watch the proceedings in best quality. Without further delay, I would now like to hand the call over to Mr. Charanvir Singh, Group Head of Investor Relations, for his opening remarks. Over to you, sir.

Management: Thank you, Sagar. Good evening, everyone, and welcome to the Q1 FY27 earnings call jointly hosted by Vedanta Limited, Vedanta Aluminium, Vedanta Iron and Steel, Vedanta Power, and Vedanta Oil and Gas.

On behalf of Team Vedanta, I sincerely thank you all for joining us today. To provide a comprehensive and efficient update while making the best use of your time, we are hosting a combined call covering all five entities.

I trust you have had an opportunity to review the respective earnings presentations, press releases, and the detailed financial statements which have been filed with the stock exchanges and are also available on the website of each of the companies.

Joining us on today's call are the CEOs and CFOs of each entity, who will discuss their operational and financial performance for the quarter. In sequence, we will begin with Vedanta Oil and Gas, led by Mr. Jim Das and Arpit Mundra, followed by Vedanta Power, represented by Rajender Ahuja and Pankaj Jha. Next will be Vedanta Iron and Steel led by Pankaj Sharma and Navin Jaju, followed by Vedanta Aluminium represented by Rajesh Kumar and Anup Agarwal. Finally, we will hear from Vedanta Limited, addressed by Mr. Arun Mishra and Ajay Goel. Following the updates, we will open the floor for questions. With that, let me hand over the call to Jim. Jim, over to you.

Management: Thank you, Charan. Greetings. We welcome you to the first quarterly Vedanta Oil and Gas results call as a newly listed company.

Safety remains our number one priority. While we continue to strengthen safety leadership, critical risk management, and frontline engagements, our safety performance shows that there is more work to do. At the same time, we have made good progress across ESG.

Higher commodity prices supported our Q1 performance, but our focus remains on safe operations, production delivery, cost discipline, and execution of our growth portfolio.

Our assets continue to demonstrate resilience while managing natural reservoir decline. Gross operated production averaged 77.7 thousand barrels of oil equivalent per day during the quarter, comprising 63.1 thousand barrels of oil equivalent per day from Rajasthan, 11.6 thousand from offshore assets, and 3.1 thousand from OALP blocks. Working interest production averaged 51.1

Report is AI-generated and may contain inaccuracies.

thousand barrels of oil equivalent per day.

In Rajasthan, production was supported by well productivity improvement programs, targeted well recovery, and continued operational optimization. Offshore performance benefited from production optimization initiatives, including low-pressure operations and focused well interventions, while OALP production remained stable. Our priority remains to strengthen decline management, accelerate well interventions, improve execution, and maintain high asset reliability.

Over the last few years, we have delivered a positive change in our operating cost profile, particularly for our mature tertiary recovery portfolio. The direct operating cost trend demonstrates that cost discipline has been sustained, with FY27 currently expected to be aligned with FY26 levels. This improvement has been driven by optimizing commodity consumption, especially through monitoring well patterns, and by maximizing well gains through targeted rigorous interventions. These interventions are generally faster, lower cost, and more flexible than conventional workover activity.

The focus remains on strong cost discipline while supporting safe operations, production reliability, and future volume delivery. Cost efficiency must therefore go hand-in-hand with execution and growth. I will now hand over to Arpit, our CFO, for the financial update.

Management: Good evening, everyone. Regarding the financial results, let me elaborate on the key numbers for our performance in Q1 FY27. Our revenue stood at 2,507 crores, which is 3% lower on a quarter-on-quarter basis. EBITDA was 1,232 crores, 16% higher on a quarter-on-quarter basis, resulting in an EBITDA margin of 49% for the current quarter.

Our unit operating cost for the period was \$17.4 per barrel, down 3% quarter-on-quarter, despite the production decline and a lower base. The lower cost was driven by efficiencies and optimization in our workover and well intervention programs. This initiative reflects our intrinsic focus on cost leadership with persistent rigor while holistically supporting reliability metrics.

Our profit after tax before exceptional items from continuing operations stands at 194 crores. The exceptional cost net of tax is 345 crores toward provision for impairment and one-off exceptional items during the quarter. The PAT from continued operations then stands at negative 151 crores. Following the transfer of non-oil and gas business undertakings that were earlier held in the erstwhile Malco Energy Limited, there has been a one-time profit from discontinued operations which stood at 1,907 crores. Consequently, the reported PAT for the company from continuing as well as discontinued operations stands at 945 crores.

Also, we are pleased to share that we have been assigned a long-term credit rating of AA+ Stable by both CRISIL and ICRA recently, which reaffirms the company's strong credit profile and robust ability to meet its financial obligations. The rating further revalidates the company's continued resilient operational performance and positive growth outlook.

Let me cover some of the specifics on the EBITDA. On a quarter-on-quarter basis, our EBITDA is higher by 15%, supported mainly by Brent prices, which were significantly higher. This was offset by lower volumes due to the natural decline in one of the key regions. Year-on-year, our EBITDA remains flat. For closing remarks, I now pass back to our interim CEO, Jim.

Report is AI-generated and may contain inaccuracies.

Vedanta

30 July 2026

Management: Thank you. Overall, the quarter has seen a sterling performance. The company continues to focus on volume delivery, capex projects, and infills, keeping our costs low and building our exploration and development pipeline, all built on a strong foundation of safety and environment. Thank you. I will now pass it to Mr. Rajender Ahuja, CEO of Vedanta Power.

Management: Thank you, Jim. Vedanta Power is backed by long-term power purchase agreements, with strong stability and availability of revenues and costs. Coming to quarterly performance, Vedanta Power delivered a resilient operational performance. During Q1 FY27, we achieved sales of 5,224 million units, up 38% on a year-on-year basis. Revenue increased 31% to 2,607 crores.

Meenakshi Energy delivered its highest-ever quarterly EBITDA of 112 crores, backed by the highest sale volume of approximately 1,350 million units. Despite imported coal prices increasing by around 60%, our team on the ground did an exceptional job by containing coal costs by 12% on a year-on-year basis. This was achieved by replacing imported coal with Indian coal. Currently, the team is able to consume around 65% to 70% Indian coal in operations.

Our plan to achieve 100% domestic coal at Meenakshi remains on track, which will improve our cost competitiveness and margins going forward, further insulating us from geopolitical risks. Lanjigarh improved its plant availability to 86% from 77% on a quarter-on-quarter basis and achieved its highest biomass co-firing of 7.9%. Ash utilization remains at 94%, with increased ash sales revenue of 9 crores.

Jharsuguda maintained stable operational performance. We received a favorable regulatory outcome regarding a short supply letter with a potential refund of 300 crores in the days to come. We also received a positive order from the state regulatory commission for recovery of ash costs up to 40 crores annually. These outcomes are expected to support future cash flows.

At Athena, despite the operational disruption, the team has demonstrated tremendous resilience. We remain focused on restoring Unit 1 and the completion of Unit 2, which will be key growth catalysts. We plan to start Unit 1 by the end of Q2 FY27, and Unit 2 remains on track for completion by Q4 FY27. Parallely, we have notified our insurance provider, who are assessing the impact and claims for Unit 1, which is duly covered for losses through insurance.

Looking ahead, India's power demand outlook remains very strong, and Vedanta Power is well-positioned to capitalize on future opportunities. With that, I now hand it over to our CFO, Mr. Pankaj Jha.

Management: Thank you and good evening, everyone. I will briefly cover financial performance and capital structure highlights for Q1 FY27. During the quarter, Vedanta Power reported revenue of 2,607 crores, a 31% year-on-year growth, on sales of 5,224 million units, which increased 38% year-on-year.

While EBITDA for the quarter stood at 291 crores, performance was impacted by the Athena boiler incident. Nevertheless, the business demonstrated resilience through strong operational delivery and reported its highest-ever EBITDA at Meenakshi. PAT for the quarter was impacted by a one-time exceptional item of 487 crores. Neutralizing this, PAT before exceptional items is negative 59 crores.

Report is AI-generated and may contain inaccuracies.

Our balance sheet and credit profile continue to strengthen. During the quarter, ICRA and CRISIL upgraded our instruments. Our long-term rating remains strong at AA- with a stable outlook. We have healthy cash and cash equivalents of approximately 1,130 crores. Net debt remained flat compared with the previous quarter, reflecting our focus on cash flow management and deleveraging. We also successfully raised commercial paper at 8.25%, demonstrating continued lender and investor confidence.

Going forward, our capital allocation priorities remain clear: maintaining liquidity, reducing leverage, enhancing fuel security, and completing key growth projects, particularly the Athena Unit 1 restoration and Unit 2 project. These assets are expected to materially strengthen earnings, cash generation, and return metrics over the next two to four quarters. I now hand over to Mr. Pankaj Sharma for Iron and Steel.

Management: Thank you, Pankaj, and good evening, everyone. Let me take you through the performance for the first quarter of FY27.

Vedanta Iron and Steel operates a fully integrated business model supported by strategically located mining assets in Odisha, Goa, Karnataka, and Liberia, along with downstream steel operations in Goa and Bokaro. This enables value creation across the entire chain. During the first quarter, we delivered a strong operational and financial performance with a revenue increase of 18% year-on-year and EBITDA growth of 54%. Margin expanded from 11% to 14%, and PAT stood at 121 crores.

During the period, steel and iron ore production increased by 4% year-on-year, supported by stable and safe operations and enhanced efficiencies. In the steel business, saleable production stood at 582 kt with a robust EBITDA margin of 12%. This was driven by better realization, a favorable export market, and continued cost and operational initiatives. In the iron ore business, production increased by 4% year-on-year to 2.6 million tons and the EBITDA margin improved by 24% year-on-year on the back of better realization and efficiencies. Sequentially, volumes were moderated by seasonal impacts during the later part of the quarter. On a quarter-on-quarter basis, margins were lower due to higher discounts on low-grade ore and elevated ocean freight costs.

On growth, our expansion projects continue to progress as planned. During the quarter, we received Stage 1 forest clearance for the Bokaro expansion project. We remain on track to deliver the project by the end of the financial year. The ductile iron pipe project in Goa is progressing well and is expected to be completed during the later part of the year. I will now hand over to our CFO, Navin Jaju.

Management: Thank you, Pankaj. Good day, everyone. During the quarter, revenue stood at 3,662 crores, an 18% increase year-on-year, and EBITDA was 515 crores, a 54% increase year-on-year. This was on the back of strong operational performance and better realization. The company continues to maintain a strong balance sheet with a net debt to EBITDA ratio of 1.3x and a return on capital employed of 16%. This is also reflected in the credit rating of AA Stable by CRISIL. Net debt post-demerger adjustments stood at 2,733 crores as of June 30. Strong operating cash flows helped fund pre-monsoon working capital requirements and ongoing growth projects. Back to Pankaj.

Vedanta

30 July 2026

Management: In conclusion, we have delivered a strong start to FY27 with resilient operational performance, improved profitability, and disciplined balance sheet management. Our ongoing growth projects, expanding mining capacities, and integrated business model position us well to capitalize on India's long-term steel and iron growth opportunities. I now hand over to Rajesh Kumar, CEO of Vedanta Aluminium.

Management: Thank you, Pankaj, and a very good evening, everyone. Vedanta Aluminium delivered a strong quarter driven by industry-leading safety, sustainability, and operational performance. During the quarter, we had only one lost time injury. Environmental performance remained robust with 20% ash utilization, contributing to increased dike space, while our newly commissioned RO facility improved wastewater recycling and reduced freshwater consumption by 8%. Renewable energy supply from Serentica increased to 198 megawatts, a 60% sequential growth, and we remain on track to achieve more than 371 megawatts of green power by the end of this financial year.

We delivered a record quarterly performance, achieving all-time high aluminum production of 632 kt, up 5% year-on-year and 3% quarter-on-quarter. Alumina production was 826 kt, up 41% year-on-year. Alumina production was, however, 6% lower than the previous quarter due to stabilization issues in the power plant, red mud filtration, and bauxite handling. Value-added product output rose to a record 389,000 tons in the quarter, up 14% year-on-year, reflecting the shift in our product mix toward our goal of 90% share of value-added products. Billet production increased by 18% and alloy production increased by 38% compared to the previous quarter. Global aluminum prices have remained buoyant.

Looking ahead, our focus remains on accelerating growth through the ramp-up of Lanjigarh, increased volume from Balco Potline 3, and sustained cost optimization through additional domestic bauxite. For our captive coal, we have received the mining lease and mine opening permission for Kurloi, and we plan to start the mine in this quarter. I now hand over to our CFO, Mr. Anup Agarwal.

Management: Thank you, Rajesh, and good evening, everyone. We closed Q1 FY27 on a strong note. At a headline level, we delivered all-time high revenue and EBITDA. Revenue for the quarter stood at a record 21,105 crores, reflecting a 45% increase year-on-year and a 13% increase quarter-on-quarter. On the cost side, our hot metal cost in Q1 FY27 stood at \$1,698 per ton, lower by 4% year-on-year and 3% quarter-on-quarter, despite inflationary pressures. This is within our guidance range.

EBITDA was 10,499 crores, up 134% year-on-year and 24% quarter-on-quarter. Sequentially, EBITDA per ton expanded from \$1,511 per ton to \$1,804 per ton. This was driven by volume growth, cost optimization, marketing initiatives, and favorable market conditions. Profit after tax was 6,597 crores, up over 200% year-on-year. Our return on capital employed stood at 42% at the end of Q1. During the quarter, our balance sheet became even stronger; our net debt to EBITDA ratio improved from 1.3x to 0.9x. Our cost of borrowing is now at 7.9%. We closed the quarter with cash and cash equivalents of over 6,000 crores. The board has approved an interim dividend of 8 rupees per share this quarter, the very first for Vedanta Aluminium.

Both CRISIL and ICRA have upgraded Vedanta Aluminium to AA+ with a stable outlook. Our guidance on the cost for the full year remains unchanged at \$1,650 to \$1,700 per ton, though in Q2

Report is AI-generated and may contain inaccuracies.

Vedanta

30 July 2026

the cost may be marginally higher due to power plant shutdowns timed with the monsoon period. On the hedging front for the balance of the year, we have hedged 28% of our volumes at an average of \$3,052 per ton. We are confident that our EBITDA run rate will remain resilient across commodity cycles. I now hand over to Mr. Arun Mishra for an update on the demerged Vedanta entity.

Management: Thank you, Anup. This quarter marks the first reporting period of the demerged Vedanta, India's most diversified base metal and specialty alloy company, providing exposure to zinc, copper, silver, lead, manganese, nickel, and ferrochrome. In our maiden quarter since demerger, we delivered EBITDA of 8,469 crores and PAT of 5,294 crores for continuing businesses.

At Zinc India, refined metal production grew 4% year-on-year to 260,000 tons. We achieved our lowest-ever cost of production at \$851 per ton. Silver continues to contribute strongly, with 46% share of EBITDA. At Zinc International, overall mined metal production was 48,000 tons. Gamsberg Phase 1 production rose 10% sequentially to 45,000 tons. Gamsberg's cost of production also declined to \$1,549 per ton, down 7% quarter-on-quarter, delivering an EBITDA per ton of \$900. At the Swartberg Mine, the end-to-end contract for asset substitution has been completed and is ramping up on a variable cost model.

In the ferrochrome business, FACOR delivered its highest-ever quarterly ore production, up 41% year-on-year to 153,000 tons. Higher market prices resulted in 2% higher net sales realization alongside lower costs. This resulted in the EBITDA margin improving to \$181 per ton, up 13% sequentially, and best-ever quarterly EBITDA of 101 crores. Copper India recorded sales of 53,000 tons, our highest first quarter sales in 8 years. At the Copper International business, rod sales were down 51% year-on-year due to geopolitical tensions in the Middle East.

Regarding growth projects, at Zinc India, the fertilizer plant cold commissioning has been initiated. The hot acid leaching plant at Dariba is also targeted for commissioning in the current quarter. The 10 million ton per annum tailing reprocessing plant is under construction and expected by Q4 FY28, while the 250,000 tons per annum expansion project of the smelter is expected by Q2 FY29. At Zinc International, the Gamsberg Phase 2 plant is likely to commence operations in August. It will add another 200,000 tons of capacity, taking total capacity to 450,000 tons per annum. At FACOR, production from the Ostipal underground mine is likely to commence in the current quarter. We received Stage 1 forest clearance for the Khatasai Iron Ore Mine. At Copper India, Phase 1 debottlenecking has augmented smelter capacity to 222,000 tons per annum. At Copper International, an exploration partner has been finalized for our Jebel Sayid exploration block in Saudi Arabia.

In summary, the demerged Vedanta is on a steady growth trajectory. We remain focused on our pursuit to grow into a \$5 billion EBITDA enterprise by FY30. With that, let me hand it over to Ajay.

Management: Thank you, Arun. We are meeting today for the first quarter results after Vedanta's historical demerger, which is unlocking significant value, with combined market capitalization growing over 71,000 crores in Q1 itself. I would clarify that as the demerger was effective during the quarter on May 1, the statutory numbers reported include one month of discontinued operations. For the sake of like-for-like comparison, we will focus on the performance of Vedanta continuing operations for the entire quarter, April to June.

Report is AI-generated and may contain inaccuracies.

Vedanta

30 July 2026

For Vedanta Limited standalone performance, revenue increased by 51% year-on-year to 30,456 crores. EBITDA nearly doubled, rising by 98% year-on-year to a highest-ever 8,469 crores, with a margin of 57%. PAT grew to 5,294 crores. in Q1, Vedanta invested 1,148 crores in growth capex while deleveraging the balance sheet by more than 2,223 crores. Our leverage ratio, net debt to EBITDA, is down to 0.3x. Vedanta Limited has been rated AA+ with a stable outlook by both ICRA and CRISIL, our highest rating in over a decade. We have strong cash and cash equivalents of 19,922 crores.

Moving briefly to Vedanta Resources (VRL), credit strength is recognized with a rating upgrade from S&P, Fitch, and Moody's to a BB or equivalent rating. VRL deleveraged by \$1.1 billion across the group in Q1. We are targeting a reduction of around 280 basis points in average funding costs through a \$5 billion refinancing program, leading to more than 1,000 crores of interest cost savings annually. We recently raised \$1.7 billion from international bond markets at an average 7.4% coupon rate and average maturity of 8.5 years. Additionally, we tied up a syndicate term loan of up to \$2.25 billion at 6.4% interest with an average maturity of 3 years. This will significantly flatten VRL's repayment liability. With this, I will hand over to the operator for Q&A.

Operator: Thank you very much. We now begin the question and answer session. Our first question comes from the line of Akhilesh Kumar with MK Global. Please go ahead.

Akhilesh Kumar – MK Global: Hi, can you hear me? My first question is on EBITDA from Vedanta Aluminium. When I try to add the EBITDA given in the slide for Jharsuguda and Balco, the total EBITDA comes to close to 10,527 crores, while total reported EBITDA as you mentioned is 10,499 crores. Can you explain the difference?

Management: That is a small consolidation adjustment. When we are talking about summarized data, intercompany transactions between Balco and Vedanta are eliminated.

Akhilesh Kumar – MK Global: My second question is on the aluminum sales made this quarter. You have given production numbers, but the sales number is not mentioned in the slides.

Management: The sales volume for the quarter is at 615 kt.

Operator: Thank you. Your next question comes from the line of Indrajeet Agarwal with CLSA. Please go ahead.

Indrajeet Agarwal – CLSA: Hi, a few questions. First, on the aluminum business, our ask rate for alumina production for the last three quarters is almost 1.1 million tons. To achieve the 4.1 million tons for the full year, should we look at the trajectory being more second-half heavy? Are you confident of achieving that number?

Management: Typically, the monsoon months for both power assets and alumina production are slightly difficult. We expect a much higher volume in H2. Trends were similar last year, and we will follow the same trajectory to meet the estimate of 4 to 4.1 million tons of alumina production from Lanjigarh.

Indrajeet Agarwal – CLSA: On purchased alumina cost, despite aluminum COP going up sequentially and alumina integration going down, your alumina cost in aluminum has gone down.

Report is AI-generated and may contain inaccuracies.

Vedanta

30 July 2026

What was the delta in purchased alumina cost this quarter?

Management: On a broad level, alumina cost has come down 3% quarter-on-quarter. We articulated in the last earnings call that as we go into Q2, we will start seeing alumina cost closer to \$750. In Q1, we reported \$780. With increased captive mix, we are on route to the \$750 number. Further reduction will come as we ramp up Lanjigarh, reducing bought-out alumina toward the \$700 level.

Indrajeet Agarwal – CLSA: In Q1, what was the hedging volume and price?

Management: In Q1, we hedged around 293 kt and the strike price was \$2,813.

Indrajeet Agarwal – CLSA: One last question for Ajay. Given the high capex at the Vedanta demerged entity, can we assume most of the dividend would now come from Vedanta Aluminium in terms of quantum?

Management: Historically, Vedanta's dividend yield has been high. Our commitment was to normalize toward a yield of almost 5%. On the combined market capitalization, that may mean a \$1.5 billion payout on a consolidated basis across all five units. While this is a board matter, Vedanta Aluminium accounts for roughly \$18 billion to \$20 billion out of the \$35 billion total market cap, so one may assume approximately half the dividend will come from Vedanta Aluminium going forward.

Operator: Thank you. Your next question comes from the line of Sumangal Nivatria with Kotak Securities. Please go ahead.

Sumangal Nivatria – Kotak Securities: First question is to Ajay on capital allocation. At the VRL level, can we assume the large part of deleveraging is behind us now that we have refinanced? At Vedanta Aluminium, what sort of net debt level are we comfortable with before paying dividends? Regarding expansion plans, at what stage do we start spending for the next phase?

Management: At VRL, deleveraging has been accomplished to a large extent, moving from \$10 billion to \$5 billion. We committed that VRL debt will come down toward \$3 billion over time. At Vedanta India, our leverage of 0.9x will migrate toward 0.7. The outlook for consolidated EBITDA is approximately \$9.5 billion to \$10 billion. With our current run rate, we expect free cash flow of roughly \$5 billion. We do not have to make choices between growth and deleveraging; we will invest about 20,000 crores in growth capex across the five entities while also deleveraging VRL by around \$2 billion to \$2.5 billion and rewarding shareholders through dividends.

Over the last 3 years, deleveraging has not caused any postponement of declared capex. We have initiated much bigger projects, including expansion in zinc and aluminum and completing the ESL Bokaro 2 million ton project. It is not one or the other; it is both.

Regarding the Vedanta Aluminium balance sheet, as of June end, net debt is around 29,500 crores. We have a remaining capex of around 7,000 crores to 8,000 crores to be spent over 18 to 24 months, which includes Balco, Lanjigarh augmentation, and mines. For the new 3 million ton expansion, we are currently at the drawing board stage, finalizing land and technology partners.

Report is AI-generated and may contain inaccuracies.

Sumangal Nivatria – Kotak Securities: Is it safe to assume growth capex for the next phase will start toward the end of FY28 or in FY29? And what are the next milestones for Bokaro Phase 2?

Management: For the Iron and Steel expansion at Bokaro, we received Stage 1 forest clearance. we expect to complete Stage 2 by the end of Q2 and remain on track to complete the expansion project by the end of this financial year.

Regarding aluminum costs, the difference between captive and bought-out alumina is roughly \$50 to \$60 per ton at current prices. Once the Sijimali mine ramps up, we can expect another \$40 to \$50 per ton reduction at the alumina level. We expect Sijimali to start after the monsoon this year, targeting 1 million to 2 million tons, then scaling to 6 million to 7 million tons next year. We expect to get consent to operate this quarter.

Operator: Thank you. The next question comes from Sabri with MK Global. Please go ahead.

Sabri – MK Global: Looking at the oil and gas numbers, oil prices are up 30% and production is down roughly 5%, yet revenue stayed flat quarter-on-quarter and EBITDA is only up 100 crores. Why is it largely flat?

Management: Given the seasonal nature of our sales pattern, we sold about 85% of volume; this will be liquidated post-monsoon. The deviation is due to the difference between production and sales numbers.

Operator: Thank you. The next question comes from Amit Murarka with Axis Capital. Please go ahead.

Amit Murarka – Axis Capital: On hot metal cost, it has gone down a bit this quarter despite general inflation. What factors helped, and what is the outlook? Also, why was there an inventory build-up in Q1?

Management: For Q2, we expect costs to be marginally higher due to planned power plant shutdowns during the monsoon. In Q1, the cost came down due to increased captive consumption of alumina and lower coal prices. We aim to remain within our guidance of \$1,650 to \$1,700 for the full year. Regarding inventory, there is usually a tendency to clean up stock at the end of the fiscal year (March), so Q1 naturally shows a slight relative addition of approximately 7 to 8 kt compared to that clean base.

Operator: Thank you. The next question comes from Pinakin with HSBC. Please go ahead.

Pinakin – HSBC: Can you walk us through the Sijimali bauxite mine process? What approvals are left, and how long will the work on the ground take before scaling to 4 million to 5 million tons? Also, what are the volume expectations for the Kurloi coal mine for FY28 and FY29?

Management: We expect the consent to operate for Sijimali this quarter and plan to start mining after the monsoon. Bauxite is easier to mine compared to coal, with very little overburden. We have already appointed our Mine Developer and Operator (MDO) partner, so we are ready to start as soon as we receive the final approval.

For the Kurloi coal mine, we expect to mine up to 2 million tons this financial year and scale to 8 million tons next year. For the Ghogharpalli mine, we are currently evaluating the start date.

Operator: Thank you. The next question comes from Ritesh Shah with Investec. Please go ahead.

Ritesh Shah – Investec: Can you help with the aluminum hedges for the remaining three quarters? Also, on the Saudi assets, have we firmed up the capex? And could you quantify the alumina cost saving purely from the captive bauxite mine?

Management: For the balance of three quarters, we are hedged at about 28% at an average price of \$3,062. For Q2 specifically, we are hedged for 270 kt at a strike price of \$2,830. On Saudi Arabia, we are finalizing the exploration partner; we will inform you regarding capex approval after that.

For bauxite, we are making alumina at a cost of around \$300 from domestic bauxite. Once Sijimali ramps up, we expect the cost to be at a similar level. Regarding procurement from OMC, this matter is currently under legal review, so I cannot indicate specific numbers.

Ritesh Shah – Investec: Why is there no specific payout policy indicated for all entities? Also, there is an intercorporate deposit of 960 crores at the Iron and Steel entity.

Management: Post-demerger, all four new companies adopted the group dividend policy. It has shifted from being prescriptive to descriptive, allowing the boards more flexibility based on capex needs. We are targeting a 4% to 5% dividend yield on each company's market capitalization.

Regarding the intercorporate balances at Vedanta Iron and Steel, total intercompany loans of 13,000 crores were waived off as part of the demerger restructuring. The remaining 960 crores in the books is payable to Vedanta Limited.

On real estate value unlocking, we have more than 2,000 acres of additional land in Vedanta India. The intention is to demerge those assets into a pure-play real estate company. The figure of 30,000 crores is aspirational; the process will take approximately 9 to 12 months in NCLT terms, so we are looking at roughly 2 years for the final outcome.

Operator: Thank you. The next question comes from Abhishek Poddar with Citadel International Equities. Please go ahead.

Abhishek Poddar – Citadel International Equities: Regarding Vedanta Power, what are the regulatory requirements for the restart of the Athena energy plant? Are contractors already on site? Also, what is the status of Unit 2 and power purchase agreements?

Management: The plant is already under revival, and 26% of the work is completed. We expect to start the unit by late September or early October. We have intimated the boiler and factory inspectors, and there are no hurdles at this moment. For Unit 2, we want to complete all activities by the end of this year.

For Meenakshi and Athena, we have tied up 600 megawatts out of 1,600 megawatts with Tamil Nadu and Kerala. We are being selective with PPAs because market rates are increasing; we have seen an average difference of 1 rupee compared to last year's rates in the day-ahead market.

Report is AI-generated and may contain inaccuracies.

Vedanta

30 July 2026

Operator: Thank you. The next question comes from Jashandeep Singh with Nomura. Please go ahead.

Jashandeep Singh – Nomura: For Vedanta Aluminium, what are the key cost-saving measures over the next couple of years? Also, can you quantify the capex for this year for Vedanta Aluminium and Balco separately?

Management: From the current hot metal cost of \$1,700, we expect a reduction of \$175 to \$200 per ton over three to four quarters. Approximately 70% to 80% of those savings will come from alumina and bauxite integration as Lanjigarh scales to 5 million tons and Sijimali mine begins. The balance will come from coal via the Ghogharpalli mine.

Our FY27 capex for aluminum will be around 5,000 crores, with 2,000 crores to 2,500 crores for Balco and the remainder for the other aluminum assets. Next year, capex will be around 3,500 crores to 4,000 crores as Balco projects finish. Balco has invested 10,800 crores in growth and is already debt-free, which demonstrates its current internal accrual strength.

Operator: Thank you. The next question comes from the line of Shubham Jain with Nippon India Mutual Fund. Please go ahead.

Shubham Jain – Nippon India Mutual Fund: CRISIL and ICRA have upgraded Vedanta Limited, while India Ratings continues to maintain AA- on rating watch. Has management received feedback on milestones required for an upgrade?

Management: It is only a question of time. The upgrade process began with ICRA and was followed by CRISIL. We foresee India Ratings approaching their committee for an upgrade to AA+ soon. It is a process that should be completed within weeks.

Operator: Thank you. The next question comes from Ashish Kejriwal with Nuvama Institutional Equities. Please go ahead.

Ashish Kejriwal – Nuvama Institutional Equities: Where are we on the potline ramp-up at Balco, and when will we reach full capacity? Also, since Balco is net cash, how will that cash be utilized for future expansions?

Management: At Balco, against a plan of 22 kt in Q1, we produced 24 kt from the new potline. The remaining capacity is being commissioned as we speak, and we expect it to be in full production as we exit this quarter. We expect 260 kt to 270 kt from the expansion this year, reaching full volume next year.

Balco also plans to start the Barra mines and is exploring coal gasification. Regarding the 3 million ton expansion, all options are on the table; Balco has the structure and accruals to potentially participate in that expansion.

Operator: Next question comes from Rashi with Citi. Please go ahead.

Rashi – Citi: For VRL, what is the expected cash outgo for this year and next? Also, what are the volume and cost expectations for Zinc International?

Report is AI-generated and may contain inaccuracies.

Management: As of June end, VRL debt is about \$5 billion. For the remainder of this year, we need roughly \$400 million for interest and KCM obligations. This will be met through dividends; for instance, the recent Vedanta Aluminium dividend leads to almost \$175 million at VRL. For FY28, we need approximately \$1 billion, and for FY29, roughly \$730 million. This will be funded through brand fees, which are around \$400 million to \$450 million annually, with the balance coming from routine dividends. The brand fee agreement is valid until 2038, and rates are fixed until March 2029.

At Zinc International, the immediate goal is to reach 300 kt and eventually 500 kt. Once Gamsberg Phase 2 touches 450 kt capacity in a year's time, we expect the cost to come down to \$1,200. We are working on a variable cost model to achieve current financial year guidance. For Vedanta Limited, the growth capex target for FY27 is 7,000 crores, with 5,000 crores for Zinc India and 2,000 crores for other businesses. Maintenance capex is approximately 4,000 crores.

Operator: Thank you. Your next question comes from the line of Indrajeet Agarwal with CLSA. Please go ahead.

Indrajeet Agarwal – CLSA: Ajay, you mentioned looking at this as a group. Will we see any intercompany transactions among these five listed entities?

Management: Routine related-party transactions (RPTs) are a norm for any large conglomerate and will follow all governance requirements. However, regarding intercorporate loans and deposits, the answer is no. We do not foresee any intercorporate loans between the Indian entities or from Indian entities to Vedanta Resources.

Operator: Thank you. Ladies and gentlemen, we will take that as the last question for today. I now hand the conference over to the management for closing comments.

Management: Thank you, Sagar, and thank you everyone for joining us today. We appreciate your time and thoughtful questions. If there are any further queries, please reach out to the IR team. With that, we are concluding today's call and we look forward to speaking with you again at the end of October for our Q2 numbers.

Operator: Thank you, members of the management. On behalf of Vedanta Limited, that concludes this conference. Thank you everyone for joining us. You may now disconnect your lines. Thank you.