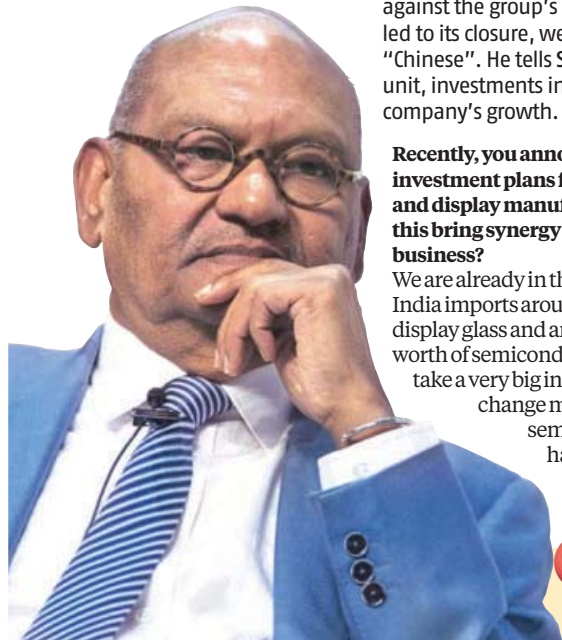


'We have got seven bids for Sterlite Copper plant'



Vedanta Group founder and Chairman **ANIL AGARWAL** believes that the protests against the group's Sterlite Copper plant in Thoothukudi in 2018, which eventually led to its closure, were "political or NGO-driven", and maybe funded by "Chinese". He tells Shine Jacob about his plans for the sale of the Thoothukudi unit, investments in semiconductor manufacturing, and the road map for the company's growth. Edited excerpts:

Recently, you announced mega investment plans for semiconductor and display manufacturing. How will this bring synergy to your existing business?

We are already in the glass business. India imports around \$16 billion of display glass and another \$16 billion worth of semiconductors. I have to take a very big initiative that will change my country. For semiconductors, we have tied up with Foxconn, the largest

manufacturer in the world, and it has a 40 per cent stake in the venture. First production from the venture will come within two years.

For this, around \$10 billion investment will be going immediately, and another \$10 billion will be required for expansion. With this, more than semiconductors, we will be able to make several items like cellphones, laptops, and televisions at one-tenth of the price in a single cluster. We are

already producing display glass in Japan, that is why Foxconn is very comfortable.

On display manufacturing, a lot of players are keen to tie up with us. But we will not be able to give them a 40 per cent stake.

How difficult choice was it to decide to sell the Sterlite Copper plant in Thoothukudi? How was the response from the industry?

This is a national asset. The issues were absolutely political or NGO-driven, funded by, maybe, Chinese. The National Green Tribunal (NGT) has given a clean chit to the plant. The matter is before court now.

For us, the most important thing is to get clearance so that the company can start. We are talking to prospective buyers and have got bids from seven players -- both international and domestic. They have found that on the ground, things have become more positive. I only know that India cannot afford to stop this plant. They can bring more regulations. It is a nation's loss, job loss, and revenue loss. We have Sesa Goa, where the government has lost almost \$30 billion. Most of this is NGO-driven.

The world does not want India to produce. Today, 70 per cent of our money is going into imports. Whether it is electronics, defence, oil and gas, gold or copper, everything can be produced here. We should start believing that we should not import and will have to produce. Mining should be encouraged. Self-certification is very important for the industry. The government has taken a tough stand on NGOs.



ANIL AGARWAL

Vedanta Group founder and chairman



WE WILL BE LOOKING AT THE TATA GROUP MODEL, WHERE TATA SONS IS AT THE TOP AND THE REST OF THE COMPANIES ARE RUN INDEPENDENTLY"

'75% of our share will go to charity'

What is your growth road map for Vedanta?

Because India is basically an imports-based country, we have to reduce our imports. My role is to motivate people and make them believe that we can manufacture these things in India. I will look at how we can bring in a lot of start-ups, the way I started.

At the moment, we are a \$30-billion company and our goal is to touch \$50 billion in revenue in two years. For this, I am going to invest around \$5-6 billion, in addition to our semiconductor plans.

What is your take on the government's plans to offload 29.5 per cent residual stake in Hindustan Zinc (HZL) in tranches?

We are holding 65 per cent and the government has to sell the rest of its share. Court has given its clearance for the stake sale. It should be done within a timeline of, maybe, 30 days. I am not saying that give it to us, but the government should come out of it.

Then we can freely work. Today, I am not able to expand, I am not in a position to do M&As (mergers and acquisitions) and make it one of the world's best companies. I am sure government machinery will also

understand it.

We cannot buy more than 5 per cent according to government regulations. For that, they will have to give us permission. We will look at it and may take 5 per cent.

In oil and gas, you are the only private player that is investing in exploration.

What is the reason for this?

We have 300 billion barrels of reserves, which is huge. The government also realises that India has the highest tax on oil and gas. That is why it is not being produced.

We have 80 per cent tax on production of oil and gas versus around 30-35 per cent globally.

How do you see the succession plans now and the road ahead for Vedanta?

There has to be a time when shareholders, owners, and the management have to be separate. We have already said that 75 per cent of our share will go to charity. My family can enjoy a small shareholding, but the management has to be very independent. We are making our company completely digital. We will be looking at the Tata group model, where Tata Sons is at the top and the rest of the companies are run independently.