

## FAQS ON THE PROPOSED DELISTING OF VEDANTA LIMITED

### VEDANTA LIMITED

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<b>1. KEY TERMS.....</b>	<b>2</b>
<b>2. DELISTING PROCESS AND TIMELINE.....</b>	<b>4</b>
<b>3. PRICING.....</b>	<b>12</b>
<b>4. ADS HOLDERS.....</b>	<b>13</b>
<b>5. POTENTIAL COUNTER OFFER PROCESS.....</b>	<b>16</b>

## FAQS ON THE PROPOSED DELISTING OF VEDANTA LIMITED

### 1. KEY TERMS

*[All undefined capitalized terms will have the meaning ascribed to them in the Public Announcement/ Letter of Offer]*

- **Bid Opening Date:** October 5, 2020
- **Bid Closing Date:** October 9, 2020
- **Target / Company:** Vedanta Limited (“VEDL”).
- **Acquirers:** Vedanta Resources Limited (“VRL”), Vedanta Holdings Mauritius Limited (“VHML”) and Vedanta Holdings Mauritius II Limited (“VMHL II”).
- **ADS:** American depository share(s) issued by the Company that are listed on New York Stock Exchange (“NYSE”).
- **Equity Shares:** Fully paid-up equity shares of the Company.
- **Exit Price:** It shall have the same meaning as ascribed to it in paragraph 13.6 of the PA/ LOF.
- **Offer Shares:** All Equity Shares that are held by the Public Shareholders.
- **Public Shareholders:** All holders of the Equity Shares other than (a) the Acquirers and the members of the promoter and promoter group of the Company and persons acting in concert with them; and (b) the holders of ADS issued against the Equity Shares held with the custodian and such custodian holding the Equity Shares, as defined under Regulation 2(1)(v) of the Delisting Regulations.
- **Delisting Offer:** The proposed acquisition of the Equity Shares from the Public Shareholders and subsequent voluntary delisting of the Equity Shares from the Stock Exchanges in accordance with the Delisting Regulations.
- **Discovered Price:** The price at which the shareholding of the members of the Acquirers (along with persons acting in concert) reaches 90% of the total issued and paid-up equity share capital of the Company, excluding the Equity Shares which are then held by a custodian and against which ADS have been issued, pursuant to the reverse book building process specified in Schedule II of the Delisting Regulations, which shall not be lower than the floor price.
- **Minimum number of shares required for Delisting:** As the date of the PA/ Letter of Offer, a minimum of 134.1 crore Equity Shares are required to be tendered at Exit Price to achieve the 90% threshold specified under the Delisting Regulations. However, this figure may change due to conversion of ADS into Equity Shares. For further details, please see paragraph 14.2 of the Letter of Offer.
- **Delisting Regulations:** SEBI (Delisting of Equity Shares) Regulations, 2009, as amended.
- **SEBI:** The Securities and Exchange Board of India.

## FAQS ON THE PROPOSED DELISTING OF VEDANTA LIMITED

- **Stock Exchanges:** The recognized stock exchanges where the Equity Shares are presently listed namely, BSE Limited (“BSE”) and the National Stock Exchange of India Limited (“NSE”).
- **Seller Member:** The stock brokers who are registered with BSE appointed by the respective Public Shareholders
- **Public Announcement/PA:** The public announcement dated September 28, 2020 issued by the Acquirers and published in the newspapers on September 29, 2020 in accordance with Regulation 10(1) of the Delisting Regulations ([Click here to get a copy](#)).
- **Letter of Offer/ LOF:** The Letter of Offer dated September 28, 2020 issued by the Acquirers inviting Bids from all Public Shareholders ([Click here to get a copy](#)).
- **Working Days:** Working days of SEBI.

## FAQS ON THE PROPOSED DELISTING OF VEDANTA LIMITED

### 2. DELISTING PROCESS AND TIMELINE

#### a. What is the background to the Delisting Offer?

Vedanta Resources Limited (“VRL”), pursuant to its letter dated May 12, 2020 (“Delisting Letter”), expressed its intention to the board of directors of the Company (“Board”) to acquire the Offer Shares and consequently voluntarily delist the Equity Shares from the Stock Exchanges by making a Delisting Offer in accordance with the Delisting Regulations and if such delisting is successful, then to also delist the ADS from NYSE and deregister the Company from the Securities and Exchange Commission (“SEC”), subject to the requirements of the NYSE and the SEC.

- Board of the Company provided its consent to the Delisting Offer on **May 18, 2020**.
- Shareholders of the Company approved the Delisting Offer by way of a special resolution on **June 24, 2020**. Votes cast by the Public Shareholders in favour of the Delisting Offer were more than two times the number of votes cast by the Public Shareholders against it.
- Post shareholders' approval, the Company received in-principle approvals from the Stock Exchanges (BSE and NSE) on **September 28, 2020**.

#### b. What are the steps in the delisting process going forward?

- Bidding period:** The bidding period (open for 5 (five) Working Days) shall commence on **October 5, 2020** and would remain open until **October 9, 2020** during which the Public Shareholders may tender their bids.
- Determination of the final exit price:** The final exit offer price will be determined as the price at which Equity Shares accepted through eligible bids, that takes the shareholding of the Acquirers (along with the persons acting in concert) to at least 90% of the paid up equity share capital of the Company held by Public Shareholders, excluding the Equity Shares which are then held by a custodian and against which ADS have been issued. As on the date of the PA/ Letter of Offer, a minimum 134.1 crore Equity Shares are required to be tendered at the Exit Price to meet the 90% threshold. However, this figure may change due to conversion of ADS into Equity Shares. For further details, please see paragraph 14.2 of the Letter of Offer.
- Option to accept / reject final exit offer:** Upon the discovery of the final exit offer price, the Acquirers will have the option either to accept or reject the final exit offer price. In case, the final exit offer price is not acceptable to the Acquirers, they will have an option to make a counter offer within 2 (two) Working Days from the discovery of final exit offer price. For further details regarding the potential counter offer process, please refer section 5.
- Post offer announcement:** Within 5 (five) Working Days from the closure of bid period, the Acquirers will be required to make a post offer public announcement regarding: (a) the

## FAQS ON THE PROPOSED DELISTING OF VEDANTA LIMITED

success of the Delisting Offer along with the final exit offer price; or (b) failure of the Delisting Offer.

- v. **Payment of consideration:** If the Delisting Offer through the reverse book building process is successful, the Acquirers will be required to pay the consideration to Public Shareholders, whose shares have been validly accepted in the Delisting Offer within 10 (ten) Working Days of the closure of the bidding period.
- vi. **Final application:** After payment of consideration, the Company would make the final application to the Stock Exchanges. Upon receipt of their approval, Equity Shares will be delisted.
- vii. **Right of remaining Public Shareholders:** The remaining Public Shareholders may tender their Equity Shares to the Acquirers up to a period of one year from the date of delisting and, in such case, the Acquirers will accept the Equity Shares at the final exit offer price. Such trade will be an off-market trade and subject to tax, as applicable.

### c. Schedule of activities

For the process of the Delisting Offer, the tentative schedule of activity will be as set out below:

Activity	Date	Day
Specified Date for determining the names of shareholders to whom the Letter of Offer shall be sent <sup>@</sup>	September 25, 2020	Friday
Date of receipt of BSE in-principle approval	September 28, 2020	Monday
Date of receipt of NSE in-principle approval	September 28, 2020	Monday
Date of publication of the Public Announcement	September 29, 2020	Tuesday
Last date for dispatch of Letter of Offer/ Bid Forms to Public Shareholders as of Specified Date	October 01, 2020	Thursday
<b>Bid Opening Date (bid starts at market hours)</b>	<b>October 05, 2020</b>	<b>Monday</b>
Last Date for upward revision or withdrawal of bids	October 08, 2020	Thursday
<b>Bid Closing Date (bid closes at market hours)</b>	<b>October 09, 2020</b>	<b>Friday</b>
Last date for announcement of counter offer	October 13, 2020	Tuesday
Last date for announcement of Discovered Price/ Exit Price and the Acquirers' acceptance/ non-acceptance of Discovered Price/ Exit Price*	October 16, 2020	Friday
Proposed date for payment of consideration to Public Shareholders and/ or return of Equity Shares to Public Shareholders** in case of Bids not being accepted/ failure of the Delisting Offer	October 23, 2020	Friday

<sup>@</sup> The Specified Date is only for the purpose of determining the names of the Public Shareholders to whom the Letter of Offer will be sent. However, all Public Shareholders, who are eligible to participate in the Delisting Offer, can submit their Bids in Acquisition Window Facility or OTB through their respective Seller Member during the Bid Period. Changes to the proposed timeline, if any, will be notified to Public Shareholders by way of a public announcement in the same newspapers where the Public Announcement is published.

\* This is an indicative date and the announcement may be made on or before October 16, 2020, being the fifth working day from the Bid Closing Date.

## FAQS ON THE PROPOSED DELISTING OF VEDANTA LIMITED

*\*\* Subject to the acceptance of the Discovered Price or offer of an Exit Price higher than the Discovered Price by the Acquirers.*

*Notes: (1) All dates are subject to change and depend on obtaining the requisite statutory and regulatory approvals, as may be applicable. Changes to the proposed timetable, if any, will be notified to the Public Shareholders by way of corrigendum/addendum in all the newspapers in which the Public Announcement has appeared; and (2) Last date of payment is subject to the acceptance of the Discovered Price by the Acquirers.*

**d. When is the Delisting Offer deemed to be successful? When are the shares delisted from the Stock Exchanges?**

The Delisting Offer shall be considered successful if the Equity Shares accepted through the Delisting Offer takes the shareholding of the Acquirers (along with persons acting in concert) to at least 90% of the paid-up equity share capital of the Company, excluding the shares which are then held by a custodian and against which ADS have been issued, and if the final offer exit price (a price determined in accordance with the reverse book building process or if a counter offer is made in accordance with the Delisting Regulations, the counter offer price) is accepted by the Acquirers (in case the price is determined by reverse book building price)/ Public Shareholders (in case of counter offer).

After the success of the Delisting Offer and payment of consideration to the Public Shareholders who have tendered their Equity Shares, the Company will make a final application to the Stock Exchanges. Upon the receipt of the approval of the Stock Exchanges, the Equity Shares will be delisted.

**e. Are the Acquirers required to deposit any amount in an escrow account?**

In terms of the Delisting Regulations, before making the PA, the Acquirers are required to deposit in the escrow account the total estimated amount of consideration calculated on the basis of the floor price and number of Equity Shares outstanding with Public Shareholders. This can be done by way of a cash deposit or by a bank guarantee or a combination of both.

VHML and VHML II have deposited the requisite amount in the escrow account in accordance with the Delisting Regulations.

**f. When would I receive money for tendering of shares?**

Upon success of the Delisting Offer, the Acquirers would be required to make a post offer public announcement, amongst other things, informing its acceptance of the final exit price and the success of the Delisting Offer. All the Public Shareholders whose bids have been accepted and Equity Shares are verified to be genuine shall be paid the final exit price within 10 (ten) Working Days from the closure of the bidding period

## FAQS ON THE PROPOSED DELISTING OF VEDANTA LIMITED

**g. What will happen if the Delisting Offer fails?**

The Acquirers are not bound to accept the Equity Shares at the Discovered Price. If the Discovered Price is not acceptable to the Acquirers, they may either reject the offer or make a counter offer to the Public Shareholders in accordance with the Delisting Regulations. In the event, a counter offer is made and is successful in accordance with the Delisting Regulations, the final exit price would be the counter offer price in accordance with the Delisting Regulations.

The Delisting Offer will fail under the following circumstances:

- a. Where the Acquirers decides to not accept the Discovered Price; or
- b. the counter offer is not successful

In case of failure of the Delisting Offer,

- a. The Equity Shares tendered by the Public Shareholders during the reverse book building process shall be returned or released to them, within 10 (ten) Working Days from the end of the bidding period;
- b. No final application will be made to the Stock Exchange for delisting of the Equity Shares;
- c. The escrow account opened by the Acquirers for the purposes of the Delisting Offer shall be closed and the escrow amount will be released; and
- d. The Company shall continue to be listed on the Stock Exchanges.

**h. Am I mandatorily required to participate in the Delisting Offer? What will happen if the Delisting Offer is successful and I have not participated?**

It is not mandatory to participate in the Delisting Offer. If the Delisting Offer is successful (discussed above), the Equity Shares will be delisted from the Stock Exchanges and the Company will become an unlisted public company. If a Public Shareholder has not tendered its Equity Shares or its Equity Shares have not been accepted because the price quoted by the Public Shareholder was higher than the Exit Price (“**Residual Public Shareholders**”), it may tender its Equity Shares to the Acquirers, at the Exit Price, up to a period of minimum one year from the date of delisting of the Equity Shares from the Stock Exchanges (“**Exit Window**”).

A separate offer letter in this regard will be sent to these Residual Public Shareholders explaining the procedure for tendering their Offer Shares. Such Residual Public Shareholders may tender their Offer Shares by submitting the required documents to the Registrar to the Offer during the Exit Window.

## FAQS ON THE PROPOSED DELISTING OF VEDANTA LIMITED

**i. Is there a cut-off date to be eligible to participate in the bidding process?**

No, any Public Shareholder who owns the Equity Shares is eligible to participate in the bidding process.

**j. If I have not received the LOF, where can I obtain a copy of the LOF?**

In case of an accidental omission to dispatch the LOF or non-receipt of the LOF by any Public Shareholder or any Public Shareholder who has bought the Equity Shares after Specified Date, such Public Shareholder may obtain a copy of LOF by writing to the Registrar to the Offer.

Alternatively, the Public Shareholders may obtain copies of LOF from the website of the Stock Exchanges i.e., [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com). The LOF can be viewed [here](#).

In case of non-receipt of the LOF/ Bid Form, Public Shareholders holding Equity Shares in dematerialized form can make an application in writing on plain paper to their Seller Member, signed by the respective Public Shareholder, stating name and address, client ID number, DP name / ID, beneficiary account number and number of Equity Shares tendered for the Delisting Offer.

The Public Shareholders should not send bids to the Company/ Acquirers/ Manager to the Offer or Registrar to the Offer.

**k. How do I know if my bid has been registered?**

Upon placing the Bid, the Seller Member shall provide a Transaction Registration Slip (“TRS”) generated by the exchange bidding system to the Public Shareholder. The TRS will contain the details of order submitted like Bid ID No., DP ID, Client ID, No. of the Equity Shares tendered and price at which the Bid was placed, etc.

**l. I hold physical shares, can I participate in the book build process?**

The Public Shareholders who are holding physical Equity Shares and intend to participate in the Delisting Offer will be required to approach their respective Seller Member along with the complete set of documents for verification procedures to be carried out including as below:

- Original Share certificate;
- valid share transfer form(s) duly filled and signed by the transferors (i.e. by all registered shareholders in same order and as per the specimen signatures registered with the Company



## FAQS ON THE PROPOSED DELISTING OF VEDANTA LIMITED

- / registrar and transfer agent of the Company) and duly witnessed at the appropriate place authorizing the transfer;
- Attestation, where required, (thumb impressions, signature difference, etc.) should be done by a Magistrate / Notary Public / Bank Manager under their official seal;
  - self-attested PAN Card copy (in case of Joint holders, PAN card copy of all transferors);
  - Bid Form duly signed (by all holders in case the Equity Shares are in joint names) in the same order in which they hold the Equity Shares;
  - Declaration by joint holders consenting to tender Offer Shares in the Delisting Offer, if applicable;
  - Any other relevant documents such as power of attorney, corporate authorization (including board resolution / specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder has deceased, etc., as applicable; and
  - In addition, if the address of the Public Shareholder has undergone a change from the address registered in the Register of members of the Company. The Public Shareholder would be required to submit a self-attested copy of address proof consisting of any one of the following documents: valid Aadhar Card, Voter Identity Card or Passport.

Upon placing the Bid, the Seller Member will provide a TRS generated by the Exchange Bidding System to the Public Shareholder. The TRS will contain the details of order submitted like Folio No., Certificate No., Distinctive No., No. of the Equity Shares tendered, price at which the Bid was placed, etc.

The Seller Member / Public Shareholder should ensure to deliver the documents as mentioned above along with the TRS either by registered post or courier or hand delivery to the Registrar to the Offer within 2 days of Bid Closing Date by the Seller Member. The envelope should be marked as “Vedanta Limited - Delisting Offer 2020”.

Public Shareholders holding the Equity Shares in physical form should note that the Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Equity Shares by the Acquirers will be subject to verification of documents. The Registrar to the Offer will verify such bids based on the documents submitted on a daily basis and till such time BSE shall display such bids as ‘unconfirmed physical bids’. Once, the Registrar to the Offer confirms the Bids, it will be treated as ‘Confirmed Bids’. The Bids of the Public Shareholders whose original share certificate(s) and other documents (as mentioned above) along with the TRS are not received by the Registrar to the Offer, within two days after the Bid Closing Date, shall be liable to be rejected.

In case of non-receipt of the Letter of Offer / Bid Form, Public Shareholders holding equity shares in physical form can make an application in writing on plain paper, signed by the respective Public

## FAQS ON THE PROPOSED DELISTING OF VEDANTA LIMITED

Shareholder, stating name and address, folio number, share certificate number, number of equity shares tendered for the delisting offer and the distinctive numbers thereof, enclosing the original share certificate(s) and other documents (as mentioned above). Public Shareholders will be required to approach their respective Seller Member and have to ensure that their bid is entered by their Seller Member in the electronic platform to be made available by BSE, before the Bid Closing Date.

The Registrar to the Offer will hold in trust the share certificate(s) and other documents (as mentioned above) until the Acquirers completes their obligations under the Delisting Offer in accordance with the Delisting Regulations.

**m. I have already placed my bid can I now revise / withdraw my submission?**

The Public Shareholders, who have tendered their Equity Shares by submitting the Bids may withdraw or revise their Bids upwards not later than one day before the Bid Closing Date. Downward revision of the Bids is not permitted. Any such request for revision or withdrawal of the Bids should be made by the Public Shareholder through their respective Seller Member, through whom the original Bid was placed. Any such request for revision or withdrawal of the Bids received after normal trading hours of secondary market on one day before the Bid Closing Date will not be accepted.

**n. How often will the book be revised on the on-line system? Where and how will the bidding information be posted?**

The cumulative quantity tendered shall be made available on BSE's website i.e., [www.bseindia.com](http://www.bseindia.com) throughout the trading session and will be updated at specific intervals during the Bid Period.

**o. In case of rejection of equity shares how would the shares be returned to me?**

In case of rejected demat Equity Shares, if any, tendered by the Public Shareholders, the same would be returned to the respective Seller Member by the Clearing Corporation in payout. The Seller Member / Custodian Participants would return these rejected Equity Shares to their respective clients on whose behalf the Bids have been placed. In case of rejection of physical Equity Shares, the same will be returned to the respective Public Shareholders directly by the Registrar to the Offer.

**p. What is the cost involved in tendering shares?**

## FAQS ON THE PROPOSED DELISTING OF VEDANTA LIMITED

The Public Shareholders who intend to participate in the Delisting Offer should consult their respective Seller Member for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Seller Member upon the Public Shareholders for tendering Equity Shares in the Delisting Offer (secondary market transaction). The consideration received by the Public Shareholders from their respective Seller Member, in respect of accepted Equity Shares, could be net of such costs, duties and expenses (including brokerage).

**q. What are the tax implications of tendering my shares?**

Shareholders are advised to consult their tax advisors for the treatment that may be given by their respective income tax assessing authorities in their case, and the appropriate course of action that they should take.

**r. Does the delisting have any impact on the voting and dividend rights?**

Once the Delisting Offer is successful, the Equity Shares will be delisted from the Stock Exchanges and the Company will become an unlisted public company. If a Public Shareholder has not tendered its Equity Shares during the Delisting Offer, it will continue to remain the shareholder of the Company and will have all the rights and benefits a shareholder of an unlisted public company has such as right to vote and right to receive dividends (if declared by the Company).

Post delisting of the Company, the remaining Public Shareholders holding Equity Shares may tender their Equity Shares to the Acquirers up to a period of one year from the date of delisting and, in such a case, the Acquirers shall accept the shares tendered at the Exit Price.

## FAQS ON THE PROPOSED DELISTING OF VEDANTA LIMITED

### 3. PRICING

#### a. What is the floor price?

The floor price for the delisting is calculated in accordance with the Delisting Regulations and the Public Shareholders are required to bid at a price either at or above the floor price during the reverse book building process. Therefore, floor price is a minimum price which is required to be offered to the Public Shareholders. The floor price for the Delisting Offer, determined in accordance with the Delisting Regulations, is INR 87.25. The same has been certified by Price Waterhouse & Co LLP pursuant to its certificate dated May 18, 2020.

#### b. How will the final offer price be determined for the Delisting?

Floor price is not the final exit offer price for the Delisting Offer. The final exit offer price is determined pursuant to the reverse book building process prescribed in the Delisting Regulations. It would be decided on the basis of bidding by the Public Shareholders during the bidding period.

The final exit offer price shall be determined as the price at which Equity Shares accepted through eligible bids, that takes the shareholding of the Acquirers (along with the persons acting in concert) to **at least 90%** of the paid up equity share capital of the Company, excluding the Equity Shares which are then held by a custodian and against which ADS have been issued.

The Acquirers have the **discretion either to accept or reject** the final exit offer price discovered pursuant to the reverse book building process. If the final exit offer price is accepted, then, the Acquirers shall accept all Equity Shares tendered where the corresponding bids placed are at the final exit offer price or at a price which is lesser than the final exit offer price.

In the event the final exit offer price is not accepted by the Acquirers, it has an option to make a counter offer in accordance with the Delisting Regulations. For further details regarding the potential counter offer process, please refer section 5.

#### c. What happens if my bid price is higher than the final exit offer price?

In cases where the bids have not been accepted, the Equity Shares tendered by the Public Shareholders during the reverse book building process shall be returned or released to them within 10 (ten) Working Days from the closure of the bidding period.

The Public Shareholders holding such Equity Shares may tender their Equity Shares to the Acquirers up to a period of one year from the date of delisting and, in such a case, the Acquirers shall accept the shares tendered at the Exit Price.

## FAQS ON THE PROPOSED DELISTING OF VEDANTA LIMITED

### 4. PROCESS FOR ADS HOLDERS

**a. What is the process for American Depositary Shares (ADS) holders?**

In accordance with the Delisting Regulations, the holders of ADS will not be entitled to participate in the Delisting Offer, unless they convert their ADS into Equity Shares.

ADS holders who present their ADS (or ADRs, if applicable) for cancellation to the depository (i.e., Citibank, N.A., (“Depository”)) will be able to take possession of the corresponding Equity Shares in book-entry form only and, as a result, they must have, or must establish, a custodian or brokerage (demat) account in India to receive such Equity Shares prior to presenting their ADS to the Depository for cancellation. Establishing such custodian or brokerage (demat) account may be subject to delay as a result of operational procedures and as the opening of such account may be subject to regulatory approvals in India.

**b. Can I convert my equity shares back to ADRs in case the delisting offer fails?**

If any ADS holder converts its ADS into Equity Shares, and the Delisting Offer fails for any reason, there is no assurance that such holder would be able to deposit its Equity Shares and obtain ADS. Issuance of ADS against deposit of Equity Shares is subject to various requirements as set forth in the deposit agreement dated September 6, 2013. In particular, in accordance with applicable regulations of the RBI and the Ministry of Finance, the Depository will only be able to accept Equity Shares for deposit into the ADS facility to the extent that there have previously been withdrawals of Equity Shares.

**c. Will the ADRs also be delisted along with the equity shares?**

If the Delisting Offer is successful, the Company intends to delist its ADS from NYSE and terminate its ADR programme and the ADR Deposit Agreement. The Company will continue to be subject to reporting obligations under the Exchange Act until such time as it can terminate its registration under the Exchange Act.

Upon the determination and/or acceptance of the Exit Price by the Acquirers, the Company intends to provide a notice to the NYSE announcing its intention to delist its ADS from the NYSE. On or about the 10th day after giving the delisting notice, the Company intends to file Form 25 with the SEC to effect the delisting from the NYSE. Delisting will become effective 10 days after such filing.

Simultaneously with giving delisting notice to the NYSE, the Company intends to give a notice to the Depository of the termination of the ADR programme and the ADR Deposit Agreement. Depository shall thereafter distribute notice of such termination to the ADS holders at least 30

## FAQS ON THE PROPOSED DELISTING OF VEDANTA LIMITED

days prior to the date of such termination. The termination of the ADR Deposit Agreement will become effective 30 days from the date of distribution of such notice (“Programme Termination Date”).

**d. What is the timeline of such termination of ADRs?**

As a result of such termination, ADS holders will have until 30 days from the Programme Termination Date to decide whether to retain their interest in the Equity Shares. At any time until 30 days from the Programme Termination Date, each ADS holder shall be entitled, subject to the terms and conditions of the ADR Deposit Agreement, to surrender its ADS and to obtain the delivery of the Equity Shares relative to each ADS held by it, upon payment by the holder of any sums payable to the Depository or to the custodian in connection therewith for such delivery of Equity Shares.

ADS holders who present their ADS (or ADRs, if applicable) for cancellation will be able to take possession of the corresponding Equity Shares in book-entry form only and, as a result, they must have, or establish, a custodian or brokerage (demat) account in India to receive such Equity Shares prior to presenting their ADS to the Depository for cancellation. As each ADS represents 4 Equity Shares, an ADS holder will receive 4 Equity Shares for each ADS which is surrendered by the holder to the Depository for cancellation.

ADS holders who present their ADS (or ADRs if applicable) for cancellation and receive Equity Shares at any time prior to the 30th day after the Program Termination Date may offer their Equity Shares for sale to the Acquirers at the Exit Price for a period of 1 year following the date of the delisting of the Equity Shares from BSE and NSE.

**e. What are the implications if a ADR holder does not present his ADRs in the 30 day period?**

In the case of ADS holders who do not present their ADS (or ADRs if applicable) for cancellation prior to the 30th day after the Program Termination Date, starting on or about 30 days after the Programme Termination Date, the Depository may arrange for the sale of the Equity Shares and shall after such sale hold un-vested net proceeds of such sale, together with any other cash then held by it under the ADR Deposit Agreement, in an un-segregated account and without liability for interest for the pro-rata benefit of the holders whose ADS have not theretofore been surrendered. The Depository will promptly remit the net proceeds to the holders of ADS then outstanding through the payment mechanism of depository trust company (DTC). The ADS (and the ADRs, if applicable) will be deemed cancelled and terminated from the date of the cancellation of the ADS resulting from the sale of the Equity Shares represented by the ADS.

## FAQS ON THE PROPOSED DELISTING OF VEDANTA LIMITED

Failure to present ADS for cancellation within 30 days after the Programme Termination Date will have significant adverse Indian tax consequences as a result of the forced sale of the Equity Shares on deposit after that date.

- f. **Illustrative schedule of activities** for the delisting from the NYSE and termination of the ADR programme, the schedule of activity is expected be as set out below:

Activity	Date
Notice of delisting to NYSE	T-3
Notice of termination of ADR Deposit Agreement to the Depositary	T-3
Press release announcing the delisting notice and termination notice	T-3
Notice of termination of ADR Deposit Agreement is distributed by the Depositary to ADS holders	T
File Form 25 with SEC	T+7
Effective Date of delisting of ADRs from NYSE	T+17
Effective Date of termination of ADR Deposit Agreement	T+30
Last Date for ADS holders to convert ADRs into Equity Shares	T+60
Depositary to sell Equity Shares underlying the ADS that have not been surrendered	T+61 or soon thereafter
Depositary to remit net proceeds to ADS holders	Expected to be approximately 4 weeks following the sale described in the immediately preceding row

## FAQS ON THE PROPOSED DELISTING OF VEDANTA LIMITED

### 5. POTENTIAL COUNTER OFFER PROCESS

**a. Would the Acquirers make a counter offer after the closure of the reverse book building bidding period?**

The Acquirers are entitled (but not obligated) to make a counter offer at the counter offer Price (i.e., a price to be intimated by the Acquirers, which is lower than the Discovered Price but not less than the book value), at their sole and absolute discretion.

The counter offer is required to be announced by issuing a public announcement of counter offer (“**Counteroffer PA**”) within 2 (two) Working Days from the closure of the reverse book building bidding period i.e. by October 13, 2020 in the present case.

**b. Can the Public Shareholders who have tendered during the RBB Bidding Period withdraw their Equity Shares?**

Public Shareholders can withdraw the Equity Shares tendered during the RBB Bidding Period within 10 (ten) Working Days from the Counteroffer PA. Any such request for withdrawal should be made by the Public Shareholder through their respective Seller Member through whom the original Bid was placed. Any such request for withdrawal received after normal trading hours of the secondary market on the 10th Working Day from the date of issuance of the Counteroffer PA will not be accepted.

**c. Can Public Shareholders who have not participated in the RBB Bidding Period tender their Equity Shares in the counter offer process?**

Yes, Public Shareholders who have not tendered their Equity Shares during the RBB Bidding Period can tender the same in the counter offer in accordance with the procedure for tendering that will be set out in the Counteroffer PA

**d. What will be the price for the counteroffer?**

In terms of the Delisting Regulations, the counter offer price cannot be less than the book value of the company. Therefore, the minimum price for the counter offer will be the book value per share of the company. In case of Vedanta Limited, the book value per share as of March 31, 2020 is INR 89.38 per Equity Share.



## **FAQS ON THE PROPOSED DELISTING OF VEDANTA LIMITED**

### **Disclaimer**

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