



Delivering Sustainability



About us

Vedanta Resources plc is a London listed FTSE 100 diversified metals and mining major. The Group produces aluminium, copper, zinc, lead, silver, iron ore and commercial power.

Our vision is to be a world class, diversified resources company providing superior returns to our shareholders with high-quality assets, low-cost operations, and sustainable development.

This report covers all Vedanta Group subsidiary companies as though they were 100% wholly owned (ie figures are 100% regardless of actual ownership percentage).

This report does not include data from the assets purchased from Anglo Zinc in the latter part of the year.

Environment data of the independent power plant at SEL Jharsuguda are not included as it was commissioned late in the year and will be included in the 2011-12 report.

For this Sustainable Development Report, we have appointed DNV

as our assurance provider, and they have visited sites at VAL, BALCO, KCM, HZL, SIIL and Sesa Goa for that purpose.

Go online to see the detail of our Group Structure.

For more detailed information see our website www.vedantaresources.com/group.aspx

Applying the GRI

This report meets application level B+ of the GRI G3 sustainability reporting guidelines.

The GRI index can be found on page 35.



Get more online:

www.vedantaresources.com/sustainability

This is Vedanta Group's third Sustainable Development Report. Since our last report, we have aligned our Sustainability Reporting Calendar with our Financial Calendar and future reports will be published annually with the Annual Report. Additional information is available on our Sustainable Development website.

No business can be sustainable without a sustainable planet or strong relationships with the people it touches. This is why we at Vedanta are committed to minimising our footprint and adding value where we can.

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02 Chairman's Statement

Our commitment: creating shareholder value, sustainably



This edition of the Vedanta Resources Sustainable Development Report marks an important moment in the development of the Group's approach to sustainable development and its reporting.

As a Group of companies operating in areas with a significant environmental and social footprint, our objective is to create shareholder value sustainably by minimising our impacts on air, water and land, by caring for the health and safety of our people and by collaborating with communities to add value to the lives of the people with whom we come in contact.

An opportunity and a challenge

The rapid growth of our business in recent years has seen multi-fold growth and we now have a total of 53 operations across four continents. This presents both a major opportunity and a significant challenge in our ever-evolving sustainability journey.

The scope to strengthen

Scott Wilson's comprehensive independent review of Vedanta's sustainable development policies and practices in line with international standards and best practices covered our existing health, safety and environmental (HSE) and social policies.

The review found that we were integrating sustainability into our mainstream business, but that we still needed to strengthen our policy framework, sustainability management, monitoring and reporting.

Renewing our commitment to our five key priorities

Our philosophy and values have always reflected my desire to build a company with sustainability as key. To this end, I have personally set five priorities that are already driving our sustainable development programme. We have made progress against each of these, as highlighted below, but we are also aware of the need to continuously review our approach. These priorities are to:

1. Embed sustainable development into every aspect of what we do
2. Improve our health and safety performance for a safer, more secure and healthier environment – we saw a 28% fall in our Lost Time Injury Frequency Rate (LTIFR) during the year. However, I regret the loss of two employees and 24 contractor employees
3. Contribute further and in a more targeted way to local communities – we provided nourishing meals

for 238,524 children each school day at nearly 2,600 schools under our Midday Meal programme

4. Continue to manage and minimise our impact on air, water and land – many of our companies have reported that their specific water and energy consumption levels are now at their lowest in history
5. Maintain a dialogue with stakeholders to help us further understand what is needed to help support a sustainable society and planet.

This report therefore represents a consolidation of our activities to date, together with a major boost to our ambition of achieving world class sustainable development performance. Our reports in the coming years will contain a range of significant developments in the way in which we organise, structure and communicate our sustainable development performance.

You can read in this report about some of our activities and achievements during 2010-11 under the four main headings of 'Environmental stewardship', 'Nurturing people', 'Health & safety' and 'Empowering communities'.

As you will see, much has been achieved over many areas, but ensuring sustainable development is a never-ending journey. There is much work still ahead of us, and I look forward to reporting in future years on our continuing progress.

Anil Agarwal
Chairman

04 Vedanta at a glance

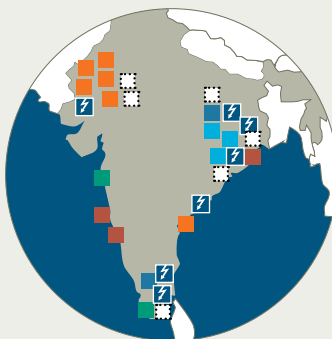
A world class metals and mining group

Where we operate

Our businesses are principally located in India, one of the fastest growing major economies in the world. In addition, we have assets and operations in Zambia, Namibia, South Africa, Australia and Ireland. We are primarily engaged in copper, zinc-lead, silver, aluminium, iron ore and commercial power generation businesses.

> Where we operate

> India



> Zambia



> Australia (Tasmania)



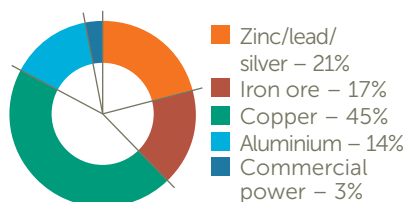
> South Africa and Namibia



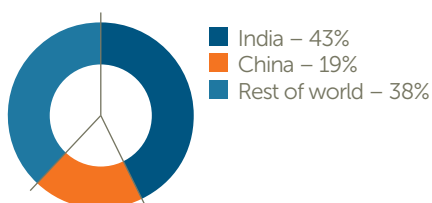
> Ireland



> Revenue by division



> Revenue by geography



> Our products

> Employees*

**Zinc-lead/Silver**

We are the world's largest integrated zinc-lead producer. In India, we have multiple mines and smelters, and with silver-rich ore from the Sindesar Khurd mine, we are also on track to become one of the world's top silver producers. Following the acquisition of Anglo American's zinc assets, we now have mines in Namibia, South Africa and Ireland. These include the 186 MT Gamsberg deposit in South Africa, which is one of the world's largest undeveloped zinc deposits.

7,341
Employees
**Iron Ore**

We have iron ore mining operations in India, in the states of Goa and Karnataka. We are the largest private sector producer-exporter in India. Our planned capacity expansion will position us as one of the major iron ore producers in the world.

4,346
Employees
**Copper**

Our copper business has operations across Zambia, India, and Australia. In Zambia we have integrated copper mining and smelting operations. In India, we have facilities for custom copper smelting and production of copper rods. In Australia, we have copper mines, which supply some of the concentrate processed by our smelting operations in India.

10,976
Employees
**Aluminium**

We are an integrated producer of aluminium in India, with mines, smelters and associated captive power plants. At Orissa and Chattisgarh, we have two operational smelters and two projects that will add 1.6 mtpa smelting capacity. We have a 1 mtpa alumina refinery at Lanjigarh, Orissa, that sources bauxite partly from our captive bauxite mines in Chattisgarh and partly from external sources.

8,168
Employees
**Commercial Energy**

We have commercial energy generation facilities in India, including thermal and wind power facilities. Our power sales are supplemented by sales of surplus power from our various captive power plants. We have two independent power plant projects at Jharsuguda, Orissa and Talwandi Sabo, Punjab, which will add significant additional capacity when completed.

220
Employees


*Total Group corporate employees 120. Figures are the total figures of all Vedanta Resources plc. units

06 The Scott Wilson Report

Integrating sustainability

International consultancy Scott Wilson was engaged to review Vedanta's approach to sustainable development with the goal of formalising our approach to international standards and best practice.

A key element of the review involved the need for us to review the governance of sustainable development issues, and to develop at Group level a Sustainability Framework of policies and standards including the development of an assurance programme. Within the framework, mechanisms for stakeholder consultation, feedback and overall assurance will be important features.

Full implementation

We will implement all of the recommendations of the review, which are outlined below. This report marks the commencement of our reporting on our response to the Scott Wilson review, which will then continue as an integral element of our annual and online reporting processes.

We remain committed to achieving all the recommendations and to implementing international standards, which we have identified as a top five material issue. We are on schedule to meet the Scott Wilson timeline.

The main recommendations of the Scott Wilson Report are divided into three areas, as follows:

> Governance and Sustainability Framework

Recommendations	Status	Comments
> include in our Code of Business Ethics reference to local communities as a key element.	✓	The Board approved a modified Code of Conduct at its meeting on 17 March 2011. See the Code of Conduct at www.vedantaresources.com
> change the title of the existing Health, Safety and Environmental (HSE) Committee to the Sustainable Development (SD) Committee and expand its terms of reference to cover all aspects of the Group's environmental and social sustainability.	✓	The Board approved the appointment and new mandate of the Sustainability Committee at its meeting on 17 March 2011
> revise the wording of our value statement on sustainability to state: "We aim to contribute to the social and economic welfare of the communities where we work and to protect and conserve the environment".	✓	The Board approved the change to the value statement at its meeting on 17 March 2011. See Vedanta Value statements at www.vedantaresources.com/mission-values.aspx
> appoint a qualified Chief Sustainability Officer (CSO) with international experience to direct and coordinate all sustainable development functions and act through points of contact in all subsidiaries.	✓	We appointed a Group CSO on 8 November 2010
> develop a series of policies to realise the aims stated for each of the Group's four sustainability 'pillars'. These should reflect best international practice and a commitment to continuous improvement.	~	The framework and nine draft policies are under revision to formalise our existing framework
> adopt internal procedures to ensure that all requests for information from stakeholders are dealt with in a timely manner.	~	Part of work to formalise the sustainable development framework



Achieved



Underway

> Implementation

Recommendations	Status	Comments
> adopt a specific human rights policy and implementation procedures that demonstrate our commitment to the UN Declaration of Human Rights.	2	One of the nine policies under revision to formalise our existing framework
> develop a standardised approach to community consultation and disclosure on new developments that reflects the IFC Guidelines.	2	One of the nine policies under revision to formalise our existing framework
> adopt a policy regarding engagement with and support for social groups that may be vulnerable to change.	2	One of the nine policies under revision to formalise our existing framework
> create a standardised approach to identifying sites of cultural heritage value.	2	One of the 30 technical standards under revision to formalise our existing framework
> support subsidiaries in developing a simple and accessible grievance mechanism through which local people can raise concerns about their operations.	2	This is being piloted at our VAL-Lanjigarh facility and once developed it will become a Group practice
> develop a policy and practices to manage land in our ownership more proactively and maximise environmental gains and biodiversity.	2	One of the nine policies under revision to formalise our existing framework
> communicate to all stakeholders the environmental monitoring regime at plants, highlighting their environmental and social performance and benchmarking it against international standards such as the IFC Guidelines and reporting in the 2012 SD report.	2	In future reports and on our website, we plan to further align our reporting with international best practice standards. This information will also be made available on individual Company websites
> report wherever possible on our environmental and social performance as a whole against industry best practice.	2	In future reports and on our website, we plan to further align our reporting with international best practice standards
> produce and test environmental impact assessments (EIAs) and environmental management plans against IFC Performance Standards and ICMM best practice.	2	We have conducted an EIA gap analysis and have commissioned work on a supplement to address the issues found
> support our subsidiaries in compiling and maintaining a register of major social and labour incidents at their plants.	2	Part of the plan to formalise the sustainable development framework
> keep the full range of HSE and CSR competencies we require across our businesses under constant review, and consider the need for additional training in relation to the IFC Performance Standards and Guidelines, human rights, vulnerable groups and the GRI Mining and Metals Sector Supplement.	2	Part of the plan to formalise the sustainable development framework

> Assurance

Recommendations	Status	Comments
> commission independent reviews of one or more of our major EIAs each year to comply with IFC Standards.	✓	We have engaged an international consultancy to review the EIA and have commissioned a supplementary EIA to close the gaps identified
> ascertain that the Sustainability Committee can enable subsidiary companies to take a consistent approach to promoting sustainable development in accordance with international best practice.	2	This will be an important task in the agenda of the new Sustainability Committee
> undertake an independent audit of Group and subsidiary environmental and social performance against international standards (IFC, ICMM, OECD etc) within 12 months of implementing other recommendations.	2	To be completed within the required timescale

08 Our approach and strategy

Taking a holistic approach

At Vedanta, improving, refining and enhancing our sustainable development performance, targets and strategy is the single most important priority.

We believe that a business cannot be sustainable without a sustainable planet. Long-term sustainability of a business requires building strong relationships with the people it touches. We will do this by responsible stewardship to minimise our footprint and by adding value where we can.

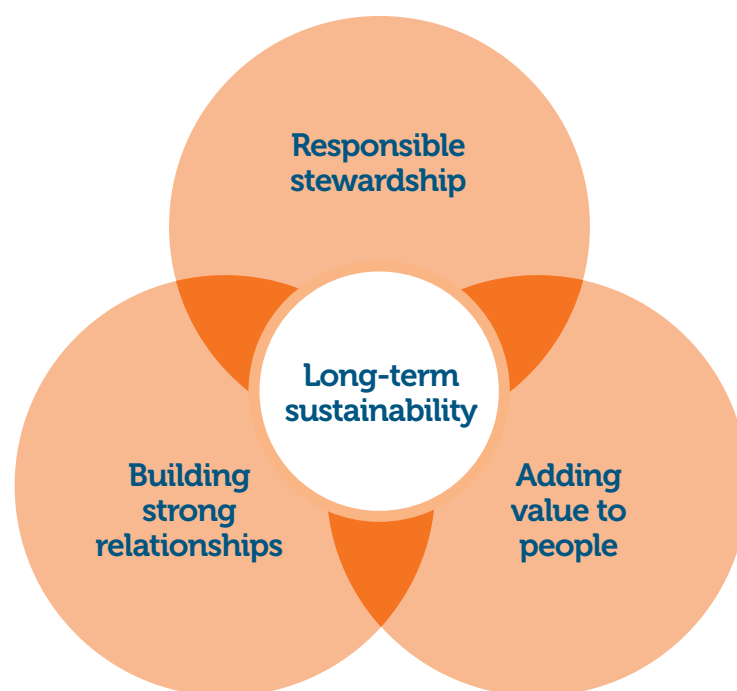
Adding value to lives

The principles of sustainable development are becoming increasingly embedded in our overall business strategy, in line with the five core priorities (see page 3 of this report). This means that we are determined in all our operations to develop a systematic approach to stewardship and to creating value.

This is a constantly evolving process that requires the regular review, development and consolidation of our management framework, which is headed by the recently revised Mission, Vision and Values and Code of Conduct.

For more detailed information see our website www.vedantaresources.com/mission-values.aspx

Strengthening will be achieved through increasingly incorporating the views of our stakeholders in our activities and through ensuring that we continuously learn best practice from external partnerships and acquired businesses.



Engagement to identify materiality

We are currently developing our Stakeholder Consultation Standards with the aim of improving the process and will report on progress next year. At the heart of the approach under development is the need to establish what is materially important to seven stakeholder groups, defined as shareholders, lenders, employees, communities, our industry, our host governments and interested third parties.

Dialogue within our subsidiaries currently takes place in the manner that best suits each stakeholder group, such as attendance at village meetings to communicate with communities, electronic, printed and face-to-face engagement with employees and high-level meetings with government representatives.

We have identified our material sustainable development priorities based on the understanding

of stakeholder interests that this engagement process affords. Key personnel from business functions including our CSR, HR, Marketing, Commercial, Finance, Investor Relations, HSE and PR departments have ranked the issues affecting specific stakeholders in order of importance. Within this report we have identified our material issues throughout.

Reviewing our approach

This materiality process then drives the activities that we report here and on our website. Some of the tangible outcomes of the stakeholder engagement and materiality processes are described in the sections of this report that review progress during the year under these four pillars (shown in the diagram to the right).

This is the strategic basis around which the 2010-11 report has been structured. However, we are currently reviewing the strategic approach to our sustainable development activities.

This will involve a three-part process, based on: first enhancing our governance and stewardship to international standards; next, more fully engaging with stakeholders to confirm issues of material importance to them; and finally, working to enhance the value we can bring to each of the stakeholder groups, in the form and the way that best suits each set of circumstances.

This is work in progress that is building on the momentum brought about by the publication of the Scott Wilson Report, and we will report on progress in future.

Sustainable development framework

We aim to constantly improve our sustainable development framework through increasingly incorporating the views of stakeholders in our activities and learning best practice from all the businesses we deal with. At the heart of our approach to sustainable development are our Vision, Mission and Values.

> Vision

Vedanta's vision is to be a world class, diversified resources company providing superior returns to our shareholders with high-quality assets, low-cost operations, and sustainable development.

> Mission

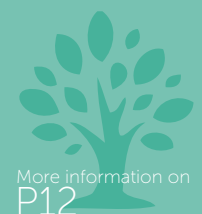
Vedanta's mission is to be a world class metals and mining group that generates superior financial returns.

> Values

Sustainability is one of Vedanta's core values, which also comprise entrepreneurship, growth, excellence and trust.

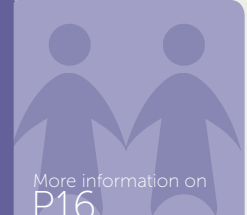
> Reporting

Environmental stewardship, which has the overall objective of enhancing the conservation of resources and the use of environmentally friendly technologies and techniques



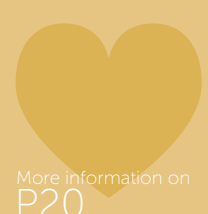
More information on
P12

Nurturing people, under which the Group aims to build a flexible, flat and learning organisation with an engaged and high-performing workforce



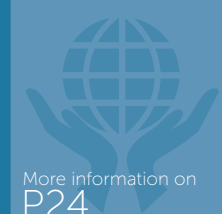
More information on
P16

Health and safety, with the objective of providing a safe, secure and healthy workplace for all employees by using the best technologies and practices, safety management systems and high safety awareness among all employees



More information on
P20

Empowering communities, under which the Group aims to improve the quality of life for people living near its areas of operation and to create self-sustaining communities



More information on
P24

10 Our governance

Assuring strong sustainable development governance

Governance highlights

Code of Conduct
Updated

Value Statement
Updated

Board evolved the HSE Committee into the Sustainability Committee with a broad sustainability mandate

HSE Committee activities

In its final meeting, the HSE Committee decided to recommend to the Board changes to the Group's Business Ethics and Code of Conduct documents, which received Board approval on 17 March 2011. During the year it also reviewed the following items:

- › the Group's response to the outcomes and recommendations of the Scott Wilson Report
- › reports on water and energy consumption and residual waste management throughout the Group (including fly ash utilisation) and business plan targets for LTIFR, water and energy
- › reports on those actions taken to continue improvements in health and safety. These included progress on traffic safety improvements and the refining of the safety scorecards used in all units
- › a progress update on Clean Development Mechanism (CDM) initiatives
- › the presentation of significant awards
- › an update on climate change
- › exploring the potential for gaining and using carbon credits
- › environmental initiatives including action plans for major waste utilisation, disposal of copper slag and testing Jarofix use in building roads.

It was one of the main recommendations of the Scott Wilson Report that the remit of the Health, Safety and Environment Committee, which met three times in 2010-11, should be broadened to embrace the full range of the Group's sustainability activities, including the welfare of the communities affected by its operations.

To reflect this, the Board evolved the HSE Committee into the Sustainability Committee, which will continue to sit alongside the Group's Audit, Remuneration and Nominations Committees reporting directly to the Board of Directors on all sustainability issues. Under its wider mandate, the Sustainability Committee will be responsible for reviewing its own performance each year.

Managing and mitigating risk

The Sustainability Committee has a key role to play in managing the Sustainable Development risks and opportunities, alongside the Audit Committee. This committee reviews the Group's overall internal control environment and risk-management programme and is responsible for the risk-management policy that helps minimise and mitigate the risks to which Group businesses are exposed.

At Vedanta, we understand the risk profile of our business and the areas where we operate, and through engagement and dialogue we appreciate the concerns and expectations of our stakeholders.



For more detailed information on our governance and risks see our Annual Report www.vedantaresources.com

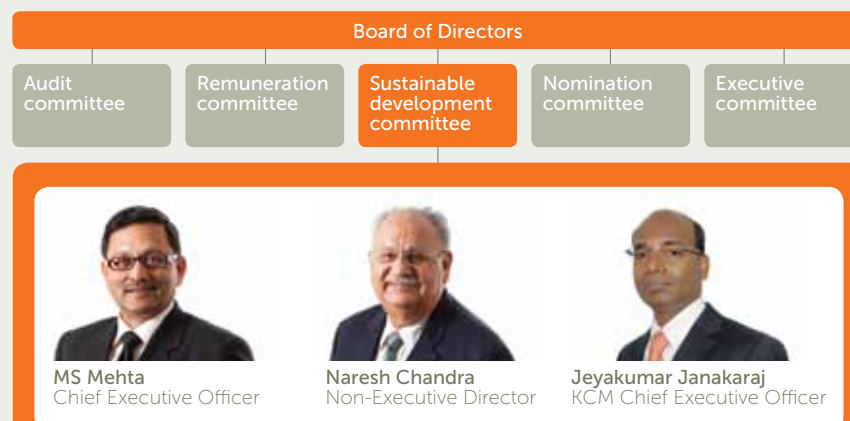
Mining activities are inherently risk prone. Any accident may cause personal injury or death, or harm communities that live near mines and plants. There may also be property or environmental damage at or to mines, smelters, refineries or auxiliary facilities. Such occurrences may result in expensive litigation, damage claims, penalties and loss of reputation – we therefore identify reputation management as a top 20 material issue.

Of the 80 risks identified through our structured risk management and assessment programme, we have 20 material risks within our Risk Register. These have been selected for the potential intensity of their impact and their likelihood of occurrence. Issues such as Water, Health, Safety and Environment feature on this list. See page 50 of our Annual Report for more information.

Combined Code compliance

As a company with a premium listing on the London Stock Exchange, we are now subject to the Financial Reporting Council's Combined Code of Corporate Governance, which has applied to Vedanta since 1 April 2011. However, we already complied with the main principles of the Combined Code before that date.

> Governance structure



Sustainability Committee scope and structure

The additionally empowered Sustainability Committee has been formed to advise the Board in helping it meet its responsibilities for health and safety, the community and the environment. It will also further strengthen sustainability governance across the Group, accelerating progress and streamlining the successful adoption of new processes at Group operating companies.

The Committee has three members, comprising one Non-Executive Director who acts as chairman, one Executive Director and Group CEO, and one CEO from the Group's operations outside India; other operational CEOs have a permanent invitation to attend. Currently, the committee chairman, Mr N Chandra, also sits on the Audit Committee, ensuring a fully integrated approach to risk management across the Group. The other members are MS Mehta, Group CEO, and Jeyakumar Janakaraj, CEO of KCM. The Group Chief Sustainability Officer acts as Secretary to the Committee.

The Committee's mandate covers all aspects of sustainable development including policies, commitments and the approval of this report. It will advise on the law and expected standards of governance and review management systems to ensure that sustainability issues are assessed and managed effectively. It will also review sustainability targets and assess progress made against them.

Focused on footprint reduction

Vedanta's target: to continue investing in new technologies and techniques that will further reduce our environmental footprint and help us manage our plants more efficiently.

- › 29 of our 33 major plants are accredited to the ISO14001
- › 1.86 million tonnes of fly ash and 0.994 million tonnes of slag were used in cement manufacturing and road construction
- › Invested in Green Energy; present wind power capacity is 170.9 MW and is targeted to achieve 273.2 MW by 2012.

At Vedanta, we recognise that our activities as a mining and metals group have the potential to affect the environment in many different ways – through the emission of particulates, wastes generated in our mining, refining and smelting processes, water consumption and changes in land use.

We are committed to priorities that include managing our consumption of raw materials, reducing emissions, reusing wastes, improving the efficiency of our resource usage and minimising our impact on both biodiversity and landscape. As we make bulk products, any packaging is minimal, but we are developing a Product Stewardship Policy.

Table 1 below shows the break-down by business unit of the Group's consumption of raw materials (such as bauxite, copper ore, zinc and lead ore) and manufactured materials. During 2010-11, the Group consumed 27.72 million tonnes of raw materials and 8.43 million tonnes of other materials.

To help achieve our goals, Group companies carry out each year a range of activities and procedures aimed at reducing their overall footprint. They measure and manage performance through internal assurance and risk-management systems and regular external audits.

Twenty-nine of our 33 major plants are now accredited to the ISO14001 environmental management standard. During the year, we invested US\$130.6 million in environmental management activities including waste water and solid waste management, pollution control and monitoring. Environmental regulatory compliance is a top-ten focus of material concern to the Group; we paid US\$4,500 in financial penalties and certain non-monetary sanctions during the year for non-compliance with environmental laws and regulations.

Water

Water is a critical resource that is growing increasingly scarce, particularly in the water-stressed areas in which we operate. For this reason, water management is a top-five issue of material concern for us.

We take a long-term approach to water management that aims to reduce our specific water footprint. We do this through constant efforts

Table 1 – Consumption of raw and manufactured materials

Unit	Raw material (MT)	Associate material (MT)	Semi-manufactured (MT)	Packaging material (MT)
HZL	7,270,898	252,325	–	–
BALCO	–	621,606	–	201
SIIL	1,585,132	482,553	–	110
CMT	1,985,460	14,459	1,200	120
MALCO	–	–	–	–
VAL-L	2,257,402	203,451	–	–
VAL-J	768,740	257,111	125	279
Sesa Goa	424,447	232,036	8,056	–
KCM	13,431,468	305,471	5,982,350	76,216
Group total	27,723,547	2,369,012	5,991,731	76,926

Innovative use of waste drives road construction breakthrough

One of the wastes of refining and purifying zinc is jarosite, a basic hydrous sulphate of potassium and iron. When mixed with lime and cement using proprietary technology from the Canadian Electrolyte Zinc Company, it forms a hard, compact and inert substance called 'Jarofix'.

Historically, Group subsidiary HZL had disposed of jarosite in a special facility. However, the Company's team at Chanderiya was keen to find a positive and productive use for the substance, and partnered with the Central Road Research Institute at New Delhi to identify one.

This rigorous research effort resulted in the breakthrough discovery that Jarofix can be used in certain aspects of road construction, and HZL sought and received approval to undertake a two-year pilot project from the Indian Road Congress and the Rajasthan State Pollution Control Board.

The Company constructed 200 metres of road near its Chanderiya smelter, and the early indications of its practical and environmental performance are highly favourable, delivering:

- › reduced consumption of natural resources
- › disposal space freed up for positive uses
- › eradication of an environmental liability.



14 Environmental stewardship continued

at the subsidiary level to reduce usage, to adopt rainwater-harvesting measures and to treat, reuse and recycle waste water resulting from the extraction and processing of minerals and metals.

Table 2 shows total water withdrawal by source and business unit across the Vedanta Group.

Table 3 shows that, SIIL, Sesa Goa, VAL-Lanjigarh, MALCO and major units of HZL are zero discharge plants where all treated waste water is reused or recycled.

Table 3 also shows total water discharge by quantity across Vedanta operations. At BALCO, CMT, KCM, MALCO and the VAL-J power plant, all waste water is properly treated before discharge. Treated waste water quality is within norms.

As a result of our approach to water conservation and stewardship across the Group, during the year specific water consumption fell at BALCO by 49%, at Sesa Goa by 18%, at

VAL-Jharsuguda by 20% and by 18% at KCM. For each company this is an all-time low.

More information on our water consumption can be found on page 33.

Energy

We operate energy-intensive operations in which we use energy sources such as coal, fuel oil, LPG/propane, diesel and electricity. Subsidiary companies undertook a host of energy efficiency improvement initiatives during the year, which saw key operating subsidiaries achieve significant reductions in energy consumption, including KCM (15%), VAL-J (6%), BALCO (5%) and VAL-L (3%). As a result, these companies achieved their lowest-ever level of specific energy consumption during the year.

Table 4 shows direct energy of 232.71 million gigajoules (GJ) was used during the year. The breakdown of energy used by business unit is given to the right:

Table 4 – Total direct energy used (excluding electricity purchased)

Unit	Energy used (million GJ)
HZL	30.01
BALCO	78.48
SIIL	3.47
CMT	0.12
MALCO	13.40
VAL-L	20.50
VAL-J	82.87
Sesa Goa	2.15
KCM	1.71
Group total	232.71

Vedanta's specific energy consumption during 2010-11 by business unit is given below in Table 5:

Table 5 – Specific energy consumption

Unit	2010-11 (GJ/MT of output)
HZL-mines	0.44
HZL-smelters	16.29
BALCO	57.25
SIIL	9.97
KCM	40.92
CMT	5.55
VAL-L	8.46
VAL-J	58.76
Sesa Goa (Mining division)	0.06

It is projected that 3.64 million GJ of energy savings (1.56% of consumption) has been made through the conservation initiatives adopted this year. These included initiatives to provide energy efficient or renewable energy-based production, such as energy efficient technology at BALCO's aluminium operation and the installation of a new energy-efficient hydrometallurgical plant at our Zinc business, and our investment in six windfarms.

Initiatives to reduce indirect energy consumption included the improvement of captive power plants across locations, the installation of variable frequency drives at most sites, optimised lighting efficiency by replacing traditional fittings with metal halide lights and much more.

Waste

We are committed to seeking opportunities to prevent or minimise waste generation and constantly to improve waste reuse and recycling. Our operations generate both hazardous and non-hazardous

Table 2 – Total water withdrawal by source and by business unit

Unit	Surface water (million m ³)	Ground water (million m ³)	Rain water (million m ³)	Water from water utility (million m ³)	Total
HZL	17.91	4.51	0.03	0.72	23.17
BALCO	33.15	0.06	–	–	33.21
SIIL	2.97	0.01	0.08	–	3.06
CMT	4.10	–	–	–	4.10
MALCO	3.21	–	–	–	3.21
VAL-L	3.43	–	–	–	3.43
VAL-J	21.63	–	–	–	21.63
Sesa Goa	3.14	0.24	12.58	0.12	16.08
KCM	32.28	146.80	–	4.87	183.95
Group total (million m³)	121.82	151.62	12.69	5.71	291.84

Table 3 – Total water discharged and water used and recycled

Unit	Total waste water discharged after treatment (million m ³)	Destination	Total water used (fresh & recycled) (million m ³)	Total water recycled/reused (million m ³)	% Recycled
HZL	0.11 (from VZS)	Sea	33.26	10.73	32.27
BALCO	9.62	River	40.13	6.93	17.26
SIIL	Zero discharge	–	3.13	0.41	13.21
CMT	27.55	River & creek	4.92	0.82	16.67
MALCO	Zero discharge	–	3.34	0.13	3.84
VAL-L	Zero discharge	–	4.70	1.28	27.14
VAL-J	1.75	River	22.15	0.53	2.37
Sesa Goa	Zero discharge	–	15.76	6.22	39.47
KCM	107.59	Natural stream and eventually river	60.50	0.86	0.47
Group total	146.62		312.20	27.91	8.94

wastes, including mine overburden, tailings, slag, red mud, jarosite, fly ash, gypsum and process residues from smelters. For more detail of the total weight of waste by type see page 32.

Most of the generated overburden is used in secondary construction work like raising tailing dam heights, and the remainder is disposed of in a systematic manner. Some tailings are used for mine back filling and the remainder disposed of in tailing dams constructed especially for the purpose.

In our business, the waste produced at smelter plants, including slag and red mud, is also used in road construction and cement manufacturing, while fly ash generated is used in cement production, brick manufacturing and other secondary construction. To this end, during 2010-11 around 1.86 million tonnes of fly ash and 0.994 million tonnes of slag were used in cement manufacturing and road construction.

Certain hazardous wastes are disposed of in secure landfill sites in an environmentally safe manner, using state-of-the-art technologies approved by statutory bodies (see the HZL Jarofix case study on page 13). Others, such as used oil, refractory refuse and batteries, are sold to authorised recyclers registered with the regulatory authorities. We exported or imported no waste deemed hazardous under the Basel Convention during the year.

We are reviewing our environmental incident reporting process and will report in greater detail in 2012.

Climate change and emissions

Although we hold no carbon liabilities across the bulk of our operations in India or Zambia, which are non-Annex 1 countries under the Kyoto Protocol, we nonetheless take the threat of climate change extremely seriously. Managing greenhouse gas emissions is one of the Group's top-20 material issues. We use the WBCSD-WRI methodology for calculating CO₂ emissions.

We are therefore developing an integrated carbon strategy, which is already showing results. For example, we have to date registered four Clean Development Mechanism (CDM) projects, which between them have the potential under the Kyoto

Protocol to deliver some 405,000 Certified Emission Reductions (CERs) each year.

We are updating the risk management framework for identifying risks and opportunities related to climate change, and are deploying processes to manage them. We have identified a number of investment opportunities across our businesses, including:

- › current Group investments in new windfarms which will have a total generation capacity of 150MW, in addition to our windfarms with existing capacity of 123.2MW
- › a total of 57MW from waste heat recovery power plants based at HZL, Sesa Goa and the copper smelter at Tuticorin.

During the year, we sold 236,776 CERs and 50,000 Verified Emission Reductions (VERs).

Total direct and indirect greenhouse gas emissions by weight can be found in the supplementary information section of this report (pages 32 to 34). We do not monitor Scope 3 emissions due to the complexity of our activities and lack of management control over travel-related vendors. However, as our products are transported by sea, rail and on the road, we are currently studying the total fuel used under the Scope 3 CO₂ equivalent project.

The emission of ozone-depleting substances is not a material concern for Vedanta as none are used in processes associated with our operations.

Table 6 – Total direct and indirect greenhouse gas emissions by business units (tonnes of CO₂ eq)

Unit	Scope-1 emissions (Direct and Process)	Scope-2 emission (Indirect)
HZL	3,723,069	422,750
BALCO	8,190,469	589
MALCO	1,287,020	0
CMT	8,903	4,780
KCM	129,200	27,091
SIIL	320,511	278,585
VAL-J	15,290,068	0
VAL-L	1,928,645	3,112
Sesa Goa	797,580	63,343
Vedanta	31,675,465	800,250

Biodiversity

The Group aims to avoid the losses or degradation of natural habitats, biodiversity and landscape. As a result, biodiversity management is a fundamental element of its initial site-level environmental impact assessments (EIAs). It is also an important factor within the ISO14001 management systems, to which most operational sites are certified.

We have mapped our operations across the Group against key biodiversity areas and national parks. We are also reviewing land management practices in line with the Scott Wilson recommendations to develop Group-level land management and biodiversity policies.


Within the Group, initiatives to protect or restore habitats include the preparation and implementation of a wildlife management plan in partnership with the State Forest Department for the area around BALCO's Kawardha and Mainpat mines. Implementation is underway, supported by BALCO's provision of \$650,000 over three years. At HZL and Sesa Goa mines, inactive waste benches are being stabilised and converted into habitats under green cover.

As part of our commitment to biodiversity, we planted over 759,000 trees across our operations during the year, bringing the total number on all properties to around 12 million. We are also committed to conducting Environmental Impact Assessments (EIAs) in the locality around all greenfield projects in line with international standards.

Caring for the Group's key assets

Our Group-wide target:
developing our people to meet their full potential.

- › Workforce diversity
- › Focus on talent management as well as employee management
- › Ensuring meritocracy.



Vedanta's people strategy is founded on the recruitment, development and retention of the talented people who run our business, which we identify as one of the top ten key material issues.

Our human resource policies fully reflect this belief, based on a philosophy that supports us in:

- › ensuring meritocracy
- › eliminating all forms of discrimination based on age, caste, gender or religion
- › complying with all applicable national laws
- › meeting all our social responsibilities as a direct or indirect employer
- › providing employees with effective processes and support for personal and career development
- › engaging with employees to encourage feedback and address concerns.

To enable a constant view of progress, all aspects of our vital HR functions are measured and evaluated through a monthly scorecard covering talent management, resourcing, productivity, learning and development, continuous improvement and more. In addition, we regularly benchmark our HR processes and practices to

keep abreast of global trends through participation in national and international surveys.

As the Vedanta Group grows so does our workforce, which now stands at over 29,000 direct employees and more than 43,000 contractors. During the year, employee turnover (including retirements but excluding VRS) stood at 10.6% and attrition at 5.4%.

Table 1 shows yearly breakdown of Group attrition rate and turnover:

Table 1 – Group attrition rate and turnover

	2010-11	2009-10	2008-09
Attrition rate	5.4%	4%	3.7%
Total employee turnover (excluding VRS)	10.6%	12%	10.9%

Tables showing Vedanta's total workforce by employment contract, age, gender and turnover/attrition, and employee distribution by age and gender can be found in the supplementary information section of this report (pages 32 to 34).

Recruiting the best

Our focus is on recruiting the best people we can find, a high proportion of whom join us as their first job straight from top universities or other forms of education.

Providing direct and indirect local employment opportunities is one of our key material priorities, so we also seek to employ people from the local population at our operations. As a result, a significant proportion of senior management and the workforce are recruited from the states where our operations are based. At VAL-Lanjigarh, in 2010-11 78% of employees are from Orissa and 25% from the Kalahandi and Rayagada district.

Our companies also recruit from rural colleges and institutions in remote states, both to encourage local employment and to provide opportunities for people of different ethnicities and backgrounds. Group companies have also recruited subject matter specialists from across the world.

Notice periods vary and are generally specified in both individual and collective contractual agreements.

Investing in developing talent for the future

With over 8,500 of our total workforce holding professional roles in diverse areas such as business management, engineering, human resources, sustainability and finance, it is vital to Vedanta that we can identify and develop the talent that will drive our performance and add value in the future.

This is the core purpose of our continuous, organisation-wide talent management programme, which is a central driver of performance across Vedanta. In addition, it is one of the main reasons why, particularly in India, we are regarded as a first-choice employer for high-quality professionals seeking a challenging and rewarding career.

Thanks to the programme, most of our most senior leaders have spent a high proportion of their working lives in different roles throughout the Group. Key elements of the programme are:

- › the Global Leadership Programme, which exposes high achievers to different cultures and other areas of the business through opportunities for them to work on important overseas projects for between six months and a year. Seventeen people took part in this programme in the last year
- › working with educational and professional institutions to develop and deliver customised management development programmes, aiming both to give engineers business insights and to provide intensive coaching and preparation for senior managers.



Vedanta Group's Zambia-based subsidiary KCM is committed to helping its local workforce learn world class expertise in areas across the business, including mining, geology, medical skills and project management. In this way, it is helping local people gain the skills they need to assume senior positions with the Company.

For many years, KCM has needed the input of expatriate expertise across a wide range of professional and business disciplines. Now, it is encouraging its expat and other senior managers to mentor understudies in their areas of expertise to enable succession planning with reduced reliance on recruitment from overseas.

Learning best practice

As part of this programme, among other activities the CEO and the Vice President of Human Resources review the performance and progress of six understudies each month. Other interventions include training, job rotation and overseas visits to gain practical experience and learn best practice. With an ongoing commitment to regular assessments, this overall approach is enabling local people to take on increasingly challenging roles.

Since the beginning of 2010, four such employees have been empowered through their enhanced expertise to take senior positions with the Company, and many others are on the same path to promotion.



Career development

Training, which totalled over 1.67 million man-hours in 2010-11, is a constant feature of our commitment to our people from the moment of joining. Our induction process includes a structured orientation and training programme focused on providing a broad understanding of the business as well as its policies, benefits and practices.

The table below shows the Group's total man-hours of training and the average hours per employee of training delivered across the different business units.

Units	Total training man-hours (thousand)	Average man-hours per employee
KCM	1,160.13	124.21
SIIL	58.50	53.23
MALCO	4.77	47.20
VAL-L	17.31	26.76
VAL-J	130.27	44.98
BALCO	76.54	18.72
Sesa Goa	48.00	11.00
HZL	180.00	26.70
Group total	1,676.52	53.78

Succession planning is one of our key material priorities, so we also have a policy of nurturing and mentoring our future leaders from within, recognising each employee's right to grow

through our talent development programmes and giving young people responsibilities at an early age. Promising candidates are, for example, enrolled on the Stars of Business accelerated development programme, and receive periodic job rotations and leadership guidance.

Another initiative is the Chairman's Workshop, a day-long programme where the Chairman shares his vision for the Company with groups of 30-40 young employees who also share their experience and ideas in an informal setting. In 2010-11, 477 employees participated in 17 such workshops.

The majority of employees undergo a reward-linked annual performance review, involving a five-point scale which provides the basis for feedback and identification of areas for improvement.

Fair and attractive rewards

Vedanta seeks to reward employees with best-in-class incentives and benefits – for example, we ensure that the compensation received by our employees meets or exceeds all legal requirements, and typical entry-level salaries exceeds local norms. We also recruit men and women on equal salaries for equivalent jobs.

In addition, we provide long- and short-term incentive plans and other performance rewards, long service awards and more. Every full time employee is also covered by a comprehensive medical scheme and personal accident insurance, and we contribute to defined employee benefit plans.

Benefits provided to full time employees can be found in the Supplementary information section of this report (pages 32 to 34).

Ensuring ethical behaviour

The Vedanta Group is committed to the highest standards of ethical business practice, and we identify the need to ensure ethical and competitive behaviour as one of our top 20 material priorities.

Following the Scott Wilson Report, we are rolling out our revised Business Ethics and Code of Conduct across our operations. This includes a dedicated section on bribery and corruption, on which employees undergo formal training. During the year, our business units were analysed for risks related to corruption, and employees were trained in our anti-corruption policies and procedures.



Shared expertise boosts succession planning at KCM

Compulsory or forced labour is a low risk at Vedanta operations, and our Code of Conduct also commits us to operating in compliance with all laws and regulations including the protection of all employees' rights.

Indeed, we practise zero tolerance of any violation of labour and human rights, and we will develop a training programme on the subject this year.

We are also currently introducing our Code of Conduct to suppliers on a phased basis. Our contract terms and conditions insist on compliance with respect to payment of minimum wages, the Contract Labour (Regulation and Abolition) Act, the Workmen's Compensation Act and other relevant acts in India.

We strictly prohibit the use of child labour among our operations or those of our contractors. There were no instances of child labour during the year that came to the Group's attention. We check the identification papers of our contractor employees which give their date of birth.

Vedanta is an equal opportunities employer, which does not tolerate any kind of discrimination. Our internal audit function addresses any

incidents of discrimination, and our individual business units have their own sexual harassment policies to protect female employees.

Whistleblowing policy

We provide a range of communication channels to enable employees to voice their concerns about any practices. These include a 'whistleblowing' policy, adopted by the Audit Committee, which governs the confidential receipt, retention and treatment of complaints on areas including suspected fraud, violation of Group accounting rules, violations of our ethical business practices and more.

Emails sent on the dedicated whistleblower@vedanta.co.in directly reach the Head of Management Assurance, who is independent of operating and business management. During the year, of 46 whistleblower complaints received by the Group's Indian operations, 39 were reviewed and closed before year end. Of these, 21 were found to be correct and necessary action was taken.

Collective bargaining

The Group uses collective bargaining as a key mechanism for engaging with

non-supervisory employees throughout our operations. Management and union representatives negotiate agreements, which include clauses on remuneration, allowances, working conditions, incentives and bonuses, health and safety and productivity. BALCO, HZL, Sesa Goa and KCM all have recognised unions, while other locations have their own systems and processes for employee development, appraisal and grievances.

Aiming for zero harm

Our Group-wide target: to focus on continuous health and safety improvements leading to zero fatalities.

- > 28% fall in LTIFR in FY 2011 versus FY 2010
- > 71% fall in LTIFR over the last five years.

LTIFR



We have no higher priority than the safety of our employees and contractors. Our goal remains to achieve zero harm to people, therefore occupational health and safety is a key material issue as well as one of the Chairman's top five priorities. For this reason, our policy is to focus on developing and implementing world class health and safety management systems.

At Board level, health and safety matters were governed during the year by the Health, Safety and Environment (HSE) Committee, which has now been replaced by the Sustainability Committee.

Site-level governance

Individual safety committees provide site-specific governance, and policy is implemented on the ground through the work of specialist safety professionals. All locations also undergo safety audits by internal and external experts, to identify how better technology, processes and behavioural safety can be achieved. 29 out of 33 major plants are certified to OHSAS 18001.

All units have safety committee meetings on a regular basis, with representation from across the

business. The committees advise on occupational health and safety improvements and hygiene.

Safety first

Across the Group, the most important measure of safety performance is the Lost Time Injury Frequency Rate (LTIFR), which is defined as the number of lost-time injuries per million man-hours worked. During the year, we saw a 28% fall in LTIFR against the business plan target of a 20% reduction.

This was the continued result of a five-year focus on reducing accident rates within our boundaries that has seen a 71% reduction since 2005-06. To ensure such ongoing improvement, many initiatives were undertaken during the year throughout all Vedanta operations.

These included a management focus on improving the safety culture through the implementation of a stringent review mechanism with the involvement of all site personnel to create a safer workplace. Relevant and effective safety signage has also been put in place across all Group operations. The entire manufacturing cycle at Group operations is assessed for all health and safety risks, and improvements are systematically undertaken to enhance performance.

As a critical element of this ongoing focus, with the specific aim of improving behavioural safety, over 233,000 man-days of compulsory safety training were delivered across the Group during 2010-11. All contractor employees at SILL received online safety training designed by Dupont. HZL and BALCO began near-miss reporting for contract employees. This is in line with the identification of the safety of contract workers as one of our key material issues.

Eliminating fatal accidents is a key material concern for the Group. We deeply regret the loss of two employees and 24 contractor employees during the year. Learnings have now been shared across the Group and preventative actions taken.

Strengthening safety systems

During the year, Vedanta subsidiary BALCO undertook an in-depth review of its safety systems that resulted in significant strengthening of practices aimed at protecting its workforce.

Alongside a focused safety training communication programme and an emergency plan rehearsal, this included hi-tech solutions such as a new system to reduce the risks involved with maintenance through lock out and tag out fail-safe electrical isolation of any equipment being worked on.

The Company also introduced a new 'real-time' online safety portal, for the self-reporting of hazards, near misses and accidents. This has proven highly effective in streamlining the health and safety event management process and improving the visibility of key data.

Improved focus

Not all the Company's new solutions were technological, however, it also strengthened its work permit processes and revisited its safety scorecard to improve its focus on performance parameters. Under this initiative, the scorecard was separated into results-based and audit-based sections, which will both increase awareness of safety issues and inspire competition between departments to excel.

In addition, BALCO has installed reflective signage across its plant, including the prominent display of the Company's inviolable safety rules. This was audited by independent third-party experts.



22 Health and safety continued

The table below shows LTIFR by subsidiary business.

Unit	2010-11
HZL	2.52
BALCO	0.62
MALCO	1.36
SIIL	0.86
KCM	0.40
CMT	2.38
VAL-Lanjigarh	0
VAL-Jharsuguda	2.41
Sesa Goa	0.86
Group total	1.10

Occupational health

Vedanta is also committed to identifying, assessing and controlling the health hazards faced by our employees and contractors. As part of our commitment, we run a range of programmes encompassing occupational health, the overall wellbeing of our people and community health issues. Highlights included the awarding of Diplomas in Occupational Health and Safety to 21 employees at KCM in Africa, where 25 people also completed an international certification course on Occupational Health and Safety, conducted by the British Safety Council.


Most Vedanta sites have medical facilities, and 52,220 medical examinations were conducted for employees and contractors, including blood lead, audiometric and spirometry tests, ECGs and

chest X-rays in 2010-11. No cases of occupational disease required reporting to the Indian government during the year, although some tuberculosis cases were found in our Zambian operations and dealt with appropriately. We are improving our reporting in this area following the ICMM guidelines, and we plan to measure the incidence of occupational disease from 2011.

We believe that regular health monitoring of this sort has a direct business benefit, with reduced absenteeism and increased productivity levels.

An external focus

Vedanta is also keen to help the local communities where we operate to improve their health and wellbeing. We do this by encouraging participation in tailored healthcare programmes that address the main



**Building the expertise
of in-house professionals**

health issues affecting each area, including epidemics such as HIV/AIDS, malaria and tuberculosis. We implement these programmes in close partnership with local health authorities and NGOs.

The incidence of HIV/AIDS is a particular issue affecting our Zambian operations. Trained personnel from our KCM subsidiary provide voluntary counselling and testing (VCT) to employees, families and other members of the community through health centres and mobile VCT sessions. During the year they saw 4,267 individuals among employees and their families.

Product stewardship

Our operations involve mining, processing, smelting of various minerals and power generation using well-established processes and technologies. Our products

are commodities, which are sold through the commodity markets and used in a large number of industries. Our final products are pure metals and meet the required LME standards for entering the commodity market. All product management activities and customer satisfaction initiatives are undertaken at subsidiary level.

No cases for non-compliance with product and service information and labelling were brought against the Group during the year, and we received no complaints or penalties regarding the provision and use of our products and services.



For any company that is determined to ensure the best possible health and safety regime, it is vital that its in-house specialists are kept fully up to speed with the latest thinking and best practice.

That was the background to a year of activities at Vedanta subsidiary BALCO, focused on building the competencies of its health and safety professionals. These included a wide range of in-house workshops and other events, as well as attendance at courses conducted by other industrial companies and public sector bodies.

Events included an in-depth three-day workshop for safety officers delivered by an acknowledged expert, a power plant safety workshop carried out at Raipur and a special programme on disaster management for industrial companies based in Korba.

Monthly safety reviews

In addition to other workshops and events on fire safety and occupational health, the Company also introduced monthly reviews of its safety systems and delivered an established schedule of internal safety training, covering many areas including electrical safety and work at height.

As part of Vedanta's commitment to sharing expertise between Group companies, members of the safety committee and safety officers also visited SILL to share best practice.

Enhancing community health, education and livelihood

Our Group-wide target: to increase our outreach to help build further the capabilities of the communities where we operate.

- › Helped support 2.7 million people in 552 villages in 20 districts of India and Zambia
- › Community Investment for the year was US\$36.56 million
- › 167 formal partnerships with NGOs, government bodies, academic institutions and private hospitals
- › Out of 1,693 rural youths trained, 88% were linked to jobs or provided assistance for self employment
- › Eight Midday Meal Kitchens served hygienic and nutritious food to 238,524 children in 2,597 schools
- › 3,288 Vedanta Bal Chetna Anganwadi Centres covering 146,815 children.

Vedanta's vision is to enhance the quality of life and the socio-economic wellbeing of those communities in and around our operations, and to contribute towards developing empowered and sustainable societies. Mitigating the impact of our operations on these communities is identified as a top-ten material issue and one of the Chairman's five sustainability goals.

Regardless of location, our goal is always to be a valued and effective development partner to the communities where we operate, empowering them over time to take full responsibility for their own future development. Local community development is also a top-ten material issue for the Group.

Our approach is holistic, long-term, integrated and sustainable, and is based on a formal community engagement process alongside baseline studies, needs assessments and periodic internal and external reviews, which support perspective planning for three to five years in selected villages.

Personnel and partners

In this way, our 68 full time community relations personnel and team of 170 volunteers take on the

role of proactive enablers and partners, identifying and acting upon the specific needs of individual communities.

We use the Public-Private-People-Partnership (4P) model, which means most projects involve close collaboration with elected bodies, government, NGOs and communities. We provide our people with clear guidelines on the selection of appropriate partner organisations.

During 2010-11 we worked with 167 formal partners to help improve the quality of life and socio-economic wellbeing of over 2.7 million people in 552 communities in and around our operations, in the process making a total investment of US\$36.56 million.

Community assets

As part of this effort, a key focus for Vedanta's Group companies during 2010-11 was increasing, repairing and improving community infrastructure including community centres, drainage pipes, schools and roads in partnership with communities and local government. Overall, we invested US\$4.49 million towards community asset creation in India and Africa during the year.

Integrated village development

We also have a structured Integrated Village Development Programme in India, which helps us integrate projects in a phased and controlled manner. Based on specific and achievable objectives, measurable deliverables and replicable benefits, each project ensures that by the time Vedanta and our partners withdraw the community has the resources and knowledge required to continue developing and reaping its benefits. We are currently working in 90 villages, reaching out to more than 123,845 people under this programme.

In Africa, our KCM subsidiary focused on supporting households and individuals around its four areas of operation through investments in livelihood, education, community infrastructure, culture and diversity. In doing so, it worked with seven partners and positively helped improve the lives of over 431,000 people.



New market is transforming village life

When Vedanta subsidiary BALCO built a rural haat (market) in the village of Kamleshwarpur in 2010, it helped transform the lives of many traders. One of these is clothing trader Niranjan Gupta, who as a result of his improved income has been able to send his son to the highly rated government college at nearby Ambikapur.

As he says, "Until the new haat was built in my village, I used to have to try to sell my wares in a number of villages; then, the haat in Kamleshwarpur only really attracted people buying and selling vegetables, so trying to sell clothing here was futile."

Then, BALCO replaced the uncovered stalls and muddy floor with a permanent structure including raised platforms and warehousing, which is now successfully attracting buyers and sellers of many different commodities from across the area.

According to Niranjan, "Gone are the times when I had to make distress sales in the rainy season to prevent my products from being damaged. Now my business has grown significantly, and the whole village has become more vibrant thanks to the influx of new buyers and sellers."



26 Empowering communities continued

Ensuring engagement

As a key part of the community engagement process, Vedanta personnel attended 3,973 village meetings and recorded 266 relevant community issues of which 241 were successfully resolved during the year. Other means of engagement included health camps, awareness drives, cultural festivities, tournaments, SHG meetings, markets and other less formal gatherings. Communicating our plans, programmes and achievements within local areas is a top-20 material issue for the Group.

Project scope

With a twin focus on social and bio-investment, during 2010-11 we participated in projects driving improvements in health, education and livelihood as well as areas such as water harvesting, agriculture, social forestry and community asset creation.

Many case studies may be found on the Group website at www.vedantaresources.com/sustainability.

At a Group level we publish a community development magazine

called 'Yagna' which captures our initiatives and news from across the Group. This year the magazine covered topics such as empowering women through self help groups, natural resources management and celebrating cultural diversity.

These magazines can be found on our sustainable development website www.vedantaresources.com/sustainability/yagna.html

Activities in India included:

- › a total of 867,388 people benefited from treatment in the 37 hospitals and rural health posts that Group companies run across India and Zambia
- › more than 146,815 children were covered by the 3,288 Vedanta Bal Chetna Anganwadi centres that we operate in partnership with the ICDS Department of the State Government and the Vedanta Foundation to improve basic health and education through pre-school education, supplementary nutrition and healthcare initiatives
- › the Daily Midday Meal programme, operated in partnership with the

State Government and the Naandi Foundation, helped to feed around 238,000 school children in 2,597 schools; the programme significantly improved attendance and pupil retention from 30% to 72%

- › the Group's agriculture, wadi and watershed project helped support 6,500 farmers on 4,714 acres across 244 villages
- › we helped to construct and renovate 13.8km of local roads, seven community centres, 11 temples, three sitting platforms, 340 tube wells/home wells/open wells/ring wells, nine drains, two check dams, 215 culverts, 16 ponds, 95,115 metres of trenches and bunds, 15 school boundary walls, 24 classrooms and 48 other structures and renovation works
- › Vedanta's Self Help Group (SHG) programme aims to empower women through financial independence, and during the year around 26,791 were enrolled in 2,003 SHGs
- › 143,444 cattle were covered under our animal husbandry initiative.

An organic cotton growing project implemented during 2010 by Group subsidiary VAL-Lanjigarh in partnership with the Natural Organic Farm NGO has achieved its social, cultural and environmental objectives.

Project Jaibik introduced organic cultivation to cotton farmers who had been struggling with low yields and no assured markets. Going organic provided them with a sustainable livelihood initiative that enabled them to use traditional and cultural practices as well as replacing inorganic fertilisers and pesticides with natural manures and biological controls to enhance soil productivity.

In addition, VAL helped them learn new skills and make productive contacts to develop an assured external market for their produce. Crops were insured with the Agriculture Insurance Company, eradicating the risk of failure that had previously affected the farmers. As a result, income generated per acre grew by 150%.

According to Gurdeep Chabra, director of Natural Organic Farm, "The project met all its desired objectives. It has been instrumental both in raising 219 acres of organic cotton with 92 farmers across eight villages, and in insuring 178.96 acres for 78 farmers."



Activities in Africa included:

- › the delivery of training and support in growing vegetables to help over 5,000 vulnerable families ensure food security
- › a programme in partnership with the Village Water NGO targeting 5,000 people with training and support in caring for small and large livestock
- › the empowerment of 55 all-female SHGs reaching 1,118 individuals
- › funding for three orphanages
- › the delivery of educational support programmes at 78 schools, financial support for the development of Zambia's third public university and the provision of 63 scholarships
- › closing gaps in municipal provision, with the building of nine classrooms, three boreholes, 30 toilets, a science laboratory and an early childhood care, education and development centre.

As well as the direct support that we provide to communities, we recognise our economic significance as a major business with a large supply chain. For this reason, we are committed

to developing and working with local suppliers. We are currently developing our reporting system and will report more fully in 2012.

The wider community

As a member of the national communities in those countries where we operate, we are also committed to transparency in public life. We received financial assistance from national government in the areas of our operations in the form of tax holidays and similar exemptions of US\$334.5 million. Our subsidiaries also made political donations in India of \$0.02 million, either through trusts or directly.

The Group currently plays no direct role in developing public policy or lobbying. Vedanta Resources plc is not a member of any public bodies or institutions. Some of our subsidiary businesses belong to the Federation of Indian Mining Industries, the Confederation of Indian Industries, the India Lead Zinc Development Association, the Indian Institute of Metal, the Federation of the Indian

Chambers of Commerce and Industry and the UN Global Compact (HZL, MALCO and Sesa Goa).

Looking ahead

We understand that we will be constantly challenged in the future, both by the changing expectations of communities and by the pace of change in the global socio-political landscape. We welcome the contributions that NGOs, communities and international institutions can make to the continuing development and success of our sustainable development performance and we are committed to meeting these challenges through increasing our outreach to help build further the capabilities of the communities where we operate.

The most significant indirect economic impacts of Vedanta Group's commitment to supporting the communities where it operates during 2010-11 can be found in the Supplementary information section of this report (pages 32 to 34).

The organic alternative delivers commercial success

An overview of VAL-Lanjigarh

On a journey to a sustainable economy

Since its independence in 1947, the state of Orissa has been recognised as one of the poorest places in India. It was in 1985 that the Indian government grasped the need to take positive action aimed at creating a sustainable economy for the people of the region.

"It is hard to believe my eyes to see Lanjigarh so flourishing and lively as against a hunger-stricken area a few years back. I feel happy for my people."

Saraswati Munda, Sarpanch
(elected village head), Lanjigarh

"In my view, what we have helped the people of Lanjigarh achieve exemplifies how business can help turn around the prospects of a community. I personally hope that Lanjigarh can become a properly sustainable village for the long-term future, and that the vision of the government can be fully realised."

Anil Agarwal, Chairman

A need for change

Some of the region's people (such as those in Kalahandi and Bolangir, which is now part of KBK region) were starving as the result of the serious drought conditions they faced every alternate year, forcing people to migrate elsewhere for survival.

It was recognised that the state's mineral wealth, to which all rights were controlled by central government, represented the most viable route to achieving targeted economic improvements. As a result, in 2004 the government transferred its bauxite mineral rights for a mine in Niyamgiri to the Orissa Mining Company (OMC), whose role was to find companies with mining and refining expertise that were willing to invest in the region.

A US\$1 billion investment

In 1996, Vedanta subsidiary Sterlite Industries came forward to construct an alumina refinery in Kalahandi. It signed an agreement with the government of Orissa in 2004 to receive through OMC 150 million tonnes of bauxite ore, a primary source of aluminium, of which

India has reserves of around 2.9 billion tonnes. Nearly 65% of this is in Orissa, and the company invested US\$1 billion in the construction of the Vedanta alumina refinery at Lanjigarh, which has an initial annual capacity of 1 million tonnes and the potential to rise to 6 million tonnes. This is India's first such refinery to use the zero discharge system in which no water or effluent is discharged into the outside environment.

It was only after extensive studies of the impact the project would have on the environment, wildlife and, most importantly, the people living in the area, that construction went ahead. This was complex; following in-depth consultation and all necessary permissions, it necessitated the relocation of 121 families to a specially built new village less than two kilometres from their original homes. Everyone affected was fully compensated for the compulsory purchase of their land with a payment some 30% to 40% higher than the government norm and any impact on livelihood was redressed either by the provision for an eligible family member of a full time job at the refinery or additional compensation in lieu of employment.

Jobs, health care and education

The positive economic impact of the refinery has been highly significant in Orissa and particularly in and around Lanjigarh itself. It has created around 700 full time new Vedanta employees as well as operational and maintenance jobs for some 1,500 contractor employees, almost 70% from Orissa. The refinery project also created jobs for nearly 10,000 people over the four to five-year construction phase, which has also contributed significantly to the economy of the area.

That is far from all. Regional infrastructure has benefited too, including a major road-building programme and the creation of a district hospital which today treats around 150 people every day for injuries, emergencies during childbirth and illnesses including malaria. The hospital, which is the only one within a 68-kilometre radius, has machines for analysing sickle-cell anaemia and thyroid problems.

Vedanta also recognises that development is a generational issue, and has built and appointed the only English medium secondary school in



a 68-kilometre radius. This has some 450 pupils today, and the Group is eagerly anticipating the day when its former pupils will apply their learning to the village's future development. It is also proud to be able to help sponsor the first member of the Dongaria Kondh to go on to further education in Bhubaneswar, where he is studying for a Bachelor of Business Administration (BBA).

Entrepreneurial activities

The economy at Lanjigarh has moved forward from a standing start into a period of steady growth as local entrepreneurs begin to seize new opportunities, such as the construction of a hotel and a brick factory that each employs around 100 local people. Vedanta's development programmes for local farmers, too, are enabling them to grow sufficient produce to found a market in the village which is adding to the quality of life for local people.

Vedanta's positive impact is also being felt more widely around the region, thanks to the activities of the Lanjigarh Project Area Development Foundation (LPADF). This foundation, founded under the direction of the Supreme Court, provides US\$2.5 million or 5% of profits before tax and interest each year (whichever is the greater) to enable schemes such as rural electrification, water supply, sanitation, livelihood and communication infrastructure that will help drive the area's continuing development.





30 Assurance statement

Introduction

Det Norske Veritas AS ('DNV') has been commissioned by the management of Vedanta Resources Plc ('Vedanta' or 'the Company') to carry out an assurance engagement on the Company's Sustainable Development Report 2011 ('the Report') in its printed format. This engagement focused on qualitative and quantitative information provided in the Report, and underlying management and reporting processes. The engagement was carried out against DNV Protocol for Verification of Sustainability Reporting (VeriSustain)¹ including verification of application level and adherence to principles of the Global Reporting Initiative 2006 Sustainability Reporting Guidelines 2006 (GRI G3).

This assurance statement is aimed at the readers of the Report. Vedanta is responsible for the collection, analysis, aggregation and presentation of information within the Report. DNV's responsibility in performing this work is to the management of Vedanta only and in accordance with terms of reference agreed with the Company. The assurance engagement is based on the assumption that the data and information provided to us is complete, sufficient and authentic. DNV disclaims any liability or responsibility to any third party for any decisions, whether investment or otherwise, based on this assurance statement.

Scope of Assurance

The scope of DNV's assurance engagement, as agreed upon with Vedanta, included the verification of the content, focus and quality of the information presented in the Report, covering the period April 2010 to March 2011. In particular, this assurance engagement included:

- › Review of the policies, initiatives, practices and performance described in the Report
- › Review of the Report against the requirements of VeriSustain with a moderate level of assurance

- › Evaluation of the adherence to the principles set out in the Global Reporting Initiative 2006 Sustainability Reporting Guidelines 2006 (GRI G3) and confirmation of the Vedanta's declared Application Level
- › Review and assessment of the processes and tools for collecting, aggregating and reporting qualitative data inside the Report
- › Verification of the reliability of information and performance data as set forth in GRI G3 and presented in the Report.

Our engagement did not include assessment of the adequacy or effectiveness of Vedanta strategy or management of sustainability-related issues.

Verification Methodology

This engagement was carried out during April and May 2011 by a multidisciplinary team of qualified and experienced DNV sustainability report assurance professionals. The Report has been evaluated against the principles of Materiality, Stakeholder Inclusiveness, Completeness, Responsiveness, Reliability and Neutrality, as set out in VeriSustain, and the GRI G3.

As part of our verification we visited the following operations in addition to the Vedanta office at Udaipur, India:

- › Vedanta Aluminium Limited, Jharsuguda and Lanjigarh
- › Sterlite Industries India Limited, Tuticorin
- › Konkola Copper Mines Plc, Chingola
- › Hindustan Zinc Limited, Chanderiya and Rampura Agucha
- › Bharat Aluminium Company Limited, BALCO Nagar, Mainpat and Kawardha
- › Sesa Goa Limited, Panjim, Bicholim, Codli and Amona.

During the assurance engagement, DNV has taken a risk-based approach, meaning that we concentrated our verification efforts more on the issues

of high material relevance to Vedanta's business and stakeholders. As part of the engagement we have challenged the sustainability-related statements and assertions made in the Report and assessed the robustness of the underlying data management system, information flow and controls. For example, we have:

- › Examined and reviewed documents, data and other information made available to DNV by Vedanta
- › Conducted in-person and online interviews with more than 125 senior Vedanta representatives, including data owners and decision-makers from different functions and locations of the Company
- › Performed sample-based checks of the processes for generating, gathering and managing the quantitative and qualitative data included in the Report
- › Reviewed the data management processes for completeness and reliability. This included assessments of methods, practices, tools and competence used in collection, aggregation and reporting of data as it is transferred and managed at different levels of the organisation
- › Reviewed the process of acquiring information and economic-financial data from the audited consolidated balance sheet for March 2011.

Conclusions

In DNV's opinion, based on the work carried out, the Report is a fair representation of the Company's sustainability-related strategies, management systems and performance. With reference to the application levels defined in GRI G3, DNV confirms that the GRI requirements for Application Level 'B+' have been met. We have evaluated the Report's adherence to the following principles on a scale of 'Good', 'Acceptable' and 'Needs Improvement':

Materiality: Acceptable. The methodology of materiality determination used for the

¹ www.dnv.com/services/assessment/corporate_responsibility/services_solutions/sustainabilityreporting/order/



Report uses the perspectives of senior representatives from various functions of the Company. The outcome has not missed out any significant, known material issues, but the process should be validated with more specific inputs for each business area to bring out material issues that reflect short, medium and long-term impacts. In addition, input from external stakeholders should be included in the materiality assessment process.

Stakeholder Inclusiveness: Needs Improvement. The Company demonstrates engagement with stakeholders through various channels and is committed to improving its stakeholder engagement standards. The engagement process can be further strengthened by formally documenting the sustainability expectations expressed by stakeholders through different engagement channels.

Responsiveness: Acceptable. The Company has responded to stakeholder concerns through its policies and management systems, and this is reflected in the Report. However, Vedanta should consider assessing the key performance indicators (KPIs) and related targets reported, particularly in light of the expectations of external stakeholders and Report readers.

Completeness: Acceptable. The reporting boundary for environmental data and information excludes project sites. The Report provides partial disclosures in response to certain GRI G3 disclosure requirements; these are denoted in the GRI index. It is evident that Vedanta acknowledges the need for continuous improvement and is committed to improving the reporting scope and boundary.

Reliability: Acceptable. Although no systematic or material errors have been detected, DNV has identified some manual discrepancies in data which have subsequently been corrected. More focus to develop clearer data protocols would help improve data consistency and accuracy. Although DNV recognises that demonstration of comparability

is a challenge with expansion of geographical coverage in the Report, Vedanta should consider reporting historic data performance trends over appropriate time periods, i.e. three to five years, to enable readers to see how the Company has performed over time and enable comparison.

Neutrality: Acceptable. The information contained in the Report is presented in a neutral tone. Overall the Report is transparent in discussing the challenges faced by the organisation and bringing out the road map for improved governance and performance. The Report can further improve by providing additional disclosures related to legal issues.

Opportunities for Improvement

The following is an excerpt from the observations and opportunities reported back to the management of Vedanta. However, these do not affect our conclusions on the Report, and they are indeed generally consistent with the management objectives already in place.

- › Implementation of systematic internal review and auditing of internal data management system will help further improve the reporting process by increasing the reliability of reported data
- › The reporting process should be expanded to include the GRI Mining and Metals sector supplement
- › There remain a number of areas that involve the manual collation and adjustment of data. Automation would help reduce the risk of errors.

DNV's Independence

DNV states its independence and impartiality with regard to this engagement. DNV confirms that throughout the reporting period there were no services provided which could impair our independence and objectivity. DNV also maintained complete impartiality towards people interviewed during the assignment.

For Det Norske Veritas AS,

Santhosh Jayaram

Lead Verifier

Head, Sustainability and Business Excellence (South Asia)
Det Norske Veritas AS, India

Nili Safavi

Assurance Engagement Reviewer

Det Norske Veritas Ltd.
London, UK

2 June 2011, Bangalore, India

32 Supplementary information

At Vedanta, we are determined to use the best available technologies where possible to drive smooth operations and good process control needed to improve the safety and environmental performance across the Group.

This is part of our commitment to achieving world class standards in every aspect of our SD performance. This work is ongoing, and progress is being made. To date, for example, 29 of Vedanta's 33 major plants across the world are accredited to the ISO14001 environmental and to the OHSAS 18001 Safety management standards.

We greatly appreciate the energy, commitment and success of our

people in implementing initiatives in our subsidiary companies. Most of our subsidiary companies are publicly quoted businesses in their own right, and they are working to improve their SD performance in line with their own aspirations. Together we recognise that there is still room for improvement across the organisation, and we remain committed to responding energetically to the challenges ahead.

Total weight of waste by type

Unit	Hazardous waste generation (MT)	Non-hazardous waste generation (MT)
HZL	535,138	82,949,270
BALCO	4,988	2,405,641
SIIL	51,487	1,486,841
CMT	2,203,118	171
MALCO	NA	35,202
VAL-L	7,000	1,649,959
VAL-J	4,892	3,712,368
Sesa Goa	280	55,174,259
KCM	137	94,255,184
Total	2,807,040	241,668,896

Total workforce by employment type and employment contract

	India	Zambia	Australia	Total
Full time employees	20,318	9,362	102	29,782
Contract employees	40,073	3,324	185	43,582
Group total	60,391	12,686	287	73,364

Note: Manpower details are inclusive of subsidiaries considered for Sustainability Report boundary.

Total number and rate of employee turnover by age group and gender, rate of attrition and turnover

Employee breakdown by age	Total	% of total full time employees
< 30 yrs	11,967	40%
31 – 40 yrs	5,643	19%
41 – 50 yrs	6,889	23%
51 – 58 yrs	4,921	17%
> 58 yrs	362	1%
Group total	29,782	

Employee breakdown by gender	India	Zambia	Australia	Total	% of total full time employees
Male	18,760	8,609	84	27,453	92.18%
Female	1,558	753	18	2,329	7.82%

	% of full time employee strength
Total employee turnover including retirements but excluding VRS	11%
Group total attrition	5%

Additional benefits provided to full time employees

	Year ended 31 March 2011 (US\$ million)
Costs incurred during the year in respect of Employees and Executive Directors	
Defined contribution pension scheme costs	22.3
Defined benefit pension scheme costs	29.3
Share based payments charge	18.6
Group total	70.2

Specific water consumption by subsidiary

Unit	2010-11 (m ³ /MT of output)
HZL-mines	0.72
HZL-smelters	9.72
BALCO	7.18
SIIL	6.37
KCM	279.16
CMT	48.70
VAL-L	3.38
VAL-J	1.73
Sesa Goa (Mining division)	0.66

HSE Awards received in 2010-11

HZL

- › International British safety council Award 2010, UK to Debari Zinc Smelter
- › Star Prax Global Benchmarking award 2010 for water management to Chanderia Smelting Complex
- › FIMI Gem Granites Environment Award to Zawar Mines
- › CII – National Energy Management Award (Energy Efficient unit) to Rampura Agucha Mine
- › CII – National Water Management Award 2010 (Excellent Water Efficient unit) to Zawar Mines
- › CII – National Water Management Award 2010 (Water Efficient unit) to Chanderiya Smelting Complex
- › HZL (CSC) received IMC-Rama Krishna Bajaj National Quality Excellence trophy 2010
- › HZL (VZS) received Environmental Best Practices Award 2011 by CII.

BALCO

- › Srishti Good Green Governance Runner up Award 2009 to Smelter & Power Plant
- › International Green Apple – Silver Award 2010 for Environmental Best Practices on Emission Reduction Technology
- › BALCO received IMC-Rama Krishna Bajaj National Quality commendation 2010.

SIIL

- › India Manufacturing Excellence Awards 2010- Gold Category
- › SIIL received IMC-Rama Krishna Bajaj National Quality Excellence trophy 2010.

Sesa Goa

- › International British Safety Council Award 2010, UK to PIP and Met Coke division

- › 'Best performer' award with the title 'Green Leader' in the Metals & Mining category at the FE-EVI Green Business Leadership Awards 2009-10
- › 'Gomantak Suraksha Patra' for Safety Performance for 2009 by Green Triangle Society of Goa and Inspectorate of Factories & Boilers to Met Coke Division
- › Sesa Goa received Environment Sustainability Excellence Award from ICC, Kolkata.

MALCO

- › MALCO (Yercaud Mine) received first prize for Reclamation and Rehabilitation by Indian Bureau of Mines, Ministry of Mines, and GOI.

VAL-L

- › International British Safety Council Award 2010, UK
- › 'Green Business Leadership Award' in Metals & Mining category at the FE-EVI Green Business Leadership Awards 2009-10
- › CII – Odisha award for 'Best Practices in Environment, Health and Safety (EHS)'.

CSR Awards 2010-11

- › Construction Industry Development Council (CIDC), Viswakarma Award for Social Responsibility, 2010, BALCO
- › Wockhardt Foundation, India Shining Initiative, 'Best CSR in Mining Sector' Award, 2010, Sterlite Industries (I) Ltd
- › Bombay Stock Exchange, Award for Best Corporate Social Responsibility Practices (runner up), 2010, Sesa Goa
- › Goan Achievers Award for Corporate Social Responsibility by Navhind Times and Viva Goa Magazine, 2010, Sesa Goa.
- › Commendation Certificate received from Rajasthan Journalists Union for Excellent CSR Initiatives, 2010, HZL-CLZS
- › Asian HRD Congress Award for Special Education initiative, 2010, VAL-Jharsuguda.

34 Supplementary information continued

Understanding and describing significant indirect economic impacts, including the extent of impacts

Focus Area	Particulars	2010-11	2009-10
Education	Company-run schools and colleges	12	12
Education	No. of child care centres	77	83
Education	No. of Anganwadi centres	3,288	2,546
Education	No. of children enrolled in Anganwadi centres	146,815	132,000
Health	Company-run hospitals/rural health posts	37	18
Health	Total patients treated in Company-run hospitals/rural health posts (million)	0.86	0.73
Health	Total health outreach through health posts/clinics/mobile health units/camps (million)	1.74	1.5
Health	No. of Midday Meal Kitchens	8	8
Health	No. of children covered under Midday Meal Kitchens	238,524	250,000
Livelihoods	Farmers covered: training/cultivation/watershed/soil management/agri inputs	6,500	3,100
Livelihoods	Total land covered under agriculture and watershed programme (in acres)	4,714	4,903
Livelihoods	Cattle covered under veterinary health initiatives (thousands)	143	375
Livelihoods	Total women Self Help Groups (SHGs)	2,003	2,050
Livelihoods	No. of women members in SHGs	26,791	27,100
Reach	Villages we work in	552	552
Reach	Villages under Integrated Village Development Programme	90	100
Reach	Total population reached (million)	2.7	2.7
Engagement	No. of village meetings	3,973	6,624
Engagement	Community issues recorded	266	90
Engagement	Community issues resolved	241	86
Reach	NGO and other partners	167	111
Reach	Community Relations personnel	68	77
Reach	Community Relations coordinators/volunteers/extension workers	170	342
Reach	Total CSR spend (US\$m)	36.56	38

The direct economic value generated and distributed by the Vedanta Group's operations (US\$m)

Economic value generated and distributed (EVGD)	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11
Economic value generated	6,760.7	8,626.9	7,158.9	8,303.2	11,961.0
Revenues	6,760.7	8,626.9	7,158.9	8,303.2	11,961.0
Economic value distributed	5,000.3	6,900.1	6,567.6	7,825.8	10,837.3
Operating costs	3,849.3	5,364.5	5,149.2	5,820.9	8,298.4
Employee wages and benefits	247.4	344.7	406.7	464.5	504.9
Payments to providers of capital	230.3	400.3	501.0	214.7	412.5
Payments to government	671.1	767.1	483.7	1,286.0	1,581.9
Community investments (including donations)	2.2	23.5	27.0	39.7	39.6
Economic value retained (calculated as economic value generated less economic value distributed)	1,760.4	1,726.8	591.3	477.4	1,123.7

GRI references

Please refer to our Sustainable Development website for our detailed GRI matrix which shows status against all GRI requirements.

Report section	GRI reference	Page number
Cover/back page	2.3, 2.4, 2.9, 3.6, 3.7, 3.8, 3.11, 3.13	0
Introduction to Vedanta	2.1, 3.1, 3.2, 3.3	1
Chairman's Statement	1.1	2-3
Vedanta at glance	2.2, 2.5, 2.7, 2.8	4-5
The Scott Wilson Report		6-7
Our approach and strategy	1.2, 3.5, 4.8, 4.14, 4.15, 4.16, 4.17	8-9
Our governance	4.1, 4.11	10-11
Environmental stewardship	EC2✓, EN1~, EN2✓, EN3~, EN4~, EN5✓, EN8✓, EN10✓, EN11✓, EN12✓, EN17~, EN18✓, EN19✓, EN20✓, EN21✓, EN28~, 3.9	12-15
Nurturing people	EC5~, EC7~, LA4~, LA5~, LA9✓, LA10~, LA14✓, HR1~, HR2~, HR4~, HR5✓, HR6✓, HR7✓, SO2✓, SO3~, SO4~	16-19
Health & safety	LA7~, LA8✓, PR1~, PR3✓, PR9✓	20-23
Empowering communities	EC8✓, SO1✓, SO5✓, SO6✓, EC4~, 4.12, 4.13	24-27
An overview of VAL-Lanjigarh		28-29
Assurance statement		30-31
Supplementary information	EC1✓, EC3✓, EC9✓, EN16✓, EN22~, LA1✓, LA2~, LA10✓, 2.10	32-34
GRI reference table		35
Glossary		36
Get more online	3.4	37
	2.6, 4.2-4.10, LA13~	Annual Report 2010-11

✓ Complete response ~ Partial response

Note: Management approach for GRI performance indicators is covered under relevant sections as above

For more detailed information see our website
www.vedantaresources.com/sustainability/griindex.html

36 Glossary

AISD	Asian Institute of Sustainable Development	m³	Cubic metres
BALCO	Bharat Aluminium Company Limited, a company incorporated in India	MT	Metric tonnes
CDM	Clean Development Mechanism	MW	Mega Watt
CER	Certified Emission Reduction	NABARD	National Bank for Agricultural and Rural Development
Chanderiya	One of the smelter units of HZL	NGO	Non-Governmental Organisation
CII	Confederation of Indian Industry	OECD	Organisation for Economic Co-operation and Development
CLZS	Chanderiya Lead and Zinc Smelter, a unit of HZL	OHSAS 18001	Occupational Health and Safety Assessment Series (standards for occupational health and safety management systems)
CMT	Copper Mines of Tasmania Pty Limited, a company incorporated in Australia	OMC	Orissa Mining Company
CPP	Captive Power Plant	PHC	Public Health Centre
CSR	Corporate Social Responsibility	PPPP	Public-Private-People-Partnership
DNV	Det Norske Veritas AS	RAM	Rampura Agucha Mines, a unit of HZL
EIA	Environment Impact Assessment	RDM	Rajpura Dariba Mines, a unit of HZL
Farm Initiative	Agriculture and livestock development initiatives	R&R	Rehabilitation and Resettlement
Fatality	The death of an employee, contract employee, business associate or visitor at our operations and project sites	SEL	Sterlite Energy Ltd., a company incorporated in India
GJ	Gigajoules	SHG	Self Help Group: group of women engaged in thrift and inter-lending business, not more than 20
GRI/G3	Global Reporting Initiative	SIIL	Sterlite Industries (India) Limited
HIV/AIDS	Human Immunodeficiency Virus / Acquired Immuno-Deficiency Syndrome	SMTPS	Sarvamangla Taknihee Pratishthan Avam Shisha Sansthan
HR	Human Resources	SPM	Suspended particulate matter
HSE	Health, Safety and Environment	STP	Sewage treatment plant
ICDS	Integrated Child Development Scheme: Anganwadi catering to health and educational needs of children in the age group 0–6 years	Sesa Goa	Sesa Goa Limited & its subsidiaries
ICMM	International Council of Metal and Mining	TPM	Total Productive Maintenance
IFC	International Finance Corporation	TQM	Total Quality Management
IVD	Integrated Village Development. Sustainable development with a holistic investment in all-round development of a village. The nomenclature of this programme differs from company to company within the Group	UNFCCC	United Nations Framework Convention on Climate Change
ISO 14001	International Organisation for Standardisation (standards for environmental management systems)	UNGC	United Nations Global Compact
KBK	Kalahandi, Bolangir, Koraput	VAL	Vedanta Aluminium Ltd, a company incorporated in India
KCM	Konkola Copper Mines PLC, a company incorporated in Zambia	VAL-L	VAL-Lanjigarh
KPA	Key Performance Areas	VAL-J	VAL-Jharsuguda
KRA	Key Result Areas	VBCA	Vedanta Bal Chetna Anganwadi Centres
LME	London Metal Exchange	VCT	Voluntary Counselling and Testing
LPADF	Lanjigarh Project Area Development Foundation	VER	Voluntary Emission Reduction
LPG	Liquefied Petroleum Gas	VRS	Voluntary Retirement Scheme
LSE	London Stock Exchange	VZS	Vizag Zinc Smelter, a unit of HZL
LTIFR	Lost Time Injury Frequency Rate: the number of lost time injuries per million man-hours worked by employees and contractors in our operations	WBCSD	World Business Council for Sustainable Development
MALCO	The Madras Aluminium Company Limited, a company incorporated in India	WRI	World Resources Institute
MAS	Management Assurance Services	ZM	Zawar Mines, a unit of HZL
MHU	Mobile Health Unit	ZSD	Zinc Smelter Debari, a unit of HZL

Get more online

This is Vedanta Group's third Sustainable Development Report. Since our last report, we have aligned our Sustainability Reporting Calendar with our Financial Calendar and future reports will be published annually with the Annual Report. Additional information is available on our Sustainable Development website.

Sustainability website
www.vedantaresources.com/sustainability

Corporate website
www.vedantaresources.com

Annual Report and Accounts 2010-11
www.vedantaresources.com



We welcome feedback on our performance and reporting. Please provide your comments by emailing sustainability@vedanta.co.in



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