

Sesa Sterlite Limited

Investor Presentation
Credit Suisse Asian Investment Conference
March 2014



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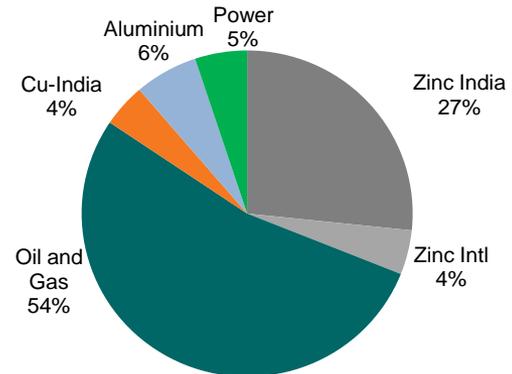
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Sesa Sterlite: Investment Highlights

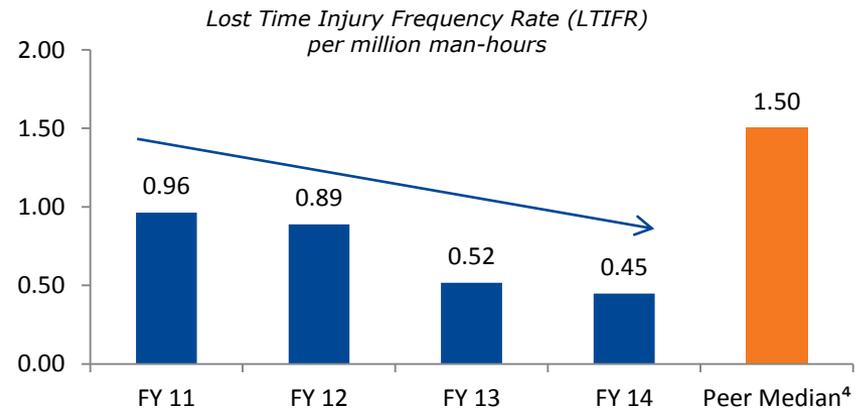
- One of the world's largest diversified natural resource companies
 - Operations across Base Metals, Iron Ore, Silver, Oil & Gas and Commercial Power
- Portfolio of scalable tier-1 assets generating strong and consistent profitability and free cash flow
- Strong and liquid balance sheet
 - Cash and liquid investments of c.US\$8bn¹
 - Net debt to EBITDA²: 1.3x
- Committed to sustainable development

9M FY2014 EBITDA Breakup³



US\$3.1bn¹
(Rs. 18,999 crore)

Significant and consistent delivery in HSE performance



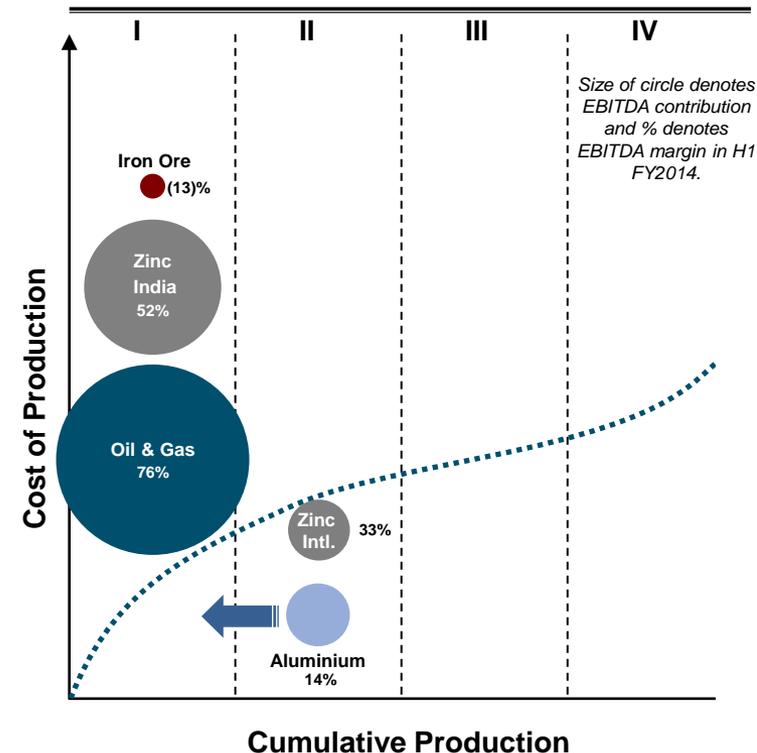
Note:

- 1: 9M FY2014, USD:INR – Average: 60.08, Closing: 61.90
- 2: 9M FY2014 Annualised Proforma EBITDA
- 3: 9M FY2014 EBITDA Breakup excludes Iron Ore
- 4: Peer median of CY 2012 reported numbers for London-listed metals and mining companies who report LTIFR (11 companies)

Tier-1 Asset Portfolio

Positioning	R&R Life ¹	FY2013 Production	Capacity ²
Oil & Gas (Cairn India) Top 20 global independent E&P; Platts 2013: Fastest growing energy company globally	15	205kboepd	225+ ³ kboepd
Zinc India (HZL) 2 nd largest integrated zinc producer globally	25+	802kt	1.2mtpa
Silver (HZL) One of the largest silver producers globally	25+	13.1moz	16mozpa
Zinc International One of the largest undeveloped zinc deposits	20+	426kt	400ktpa
Iron Ore⁴ Largest private sector exporter in India; Large deposit in Liberia	20+	3.1mt ⁵	16.8mtpa
Aluminium Strategically located large-scale assets with integrated power		774kt	2.3mtpa

Competitive Position on Cost Curve Quartiles



Notes

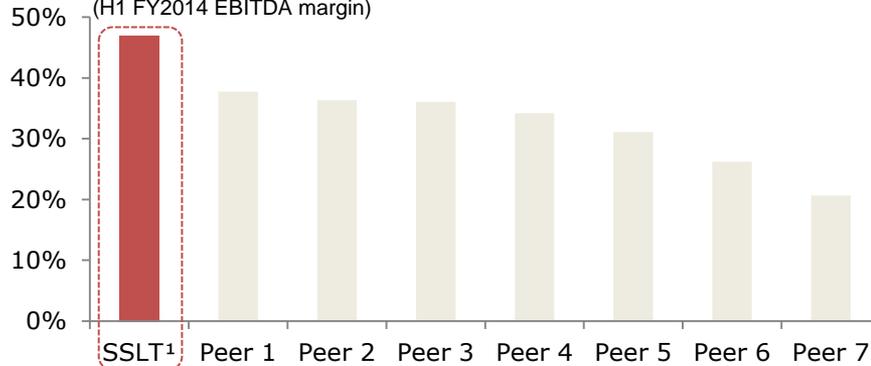
1. Based on FY2013 production and R&R as at 31 March 2013; Iron ore is based on existing capacity; Zinc International includes Gamsberg deposit in R&R
2. Includes announced expansions; Iron ore shown at existing EC capacity of 14.5mt in Goa and 2.3mt provisional capacity in Karnataka
3. Expected capacity for currently producing assets
4. Numbers excluding Liberia
5. Iron Ore operations affected by mining restrictions in Karnataka and Goa

Large, long-life, low-cost, scalable assets

Consistently High Margins through the Cycle

Cost Efficient Tier-1 Assets driving High Margins

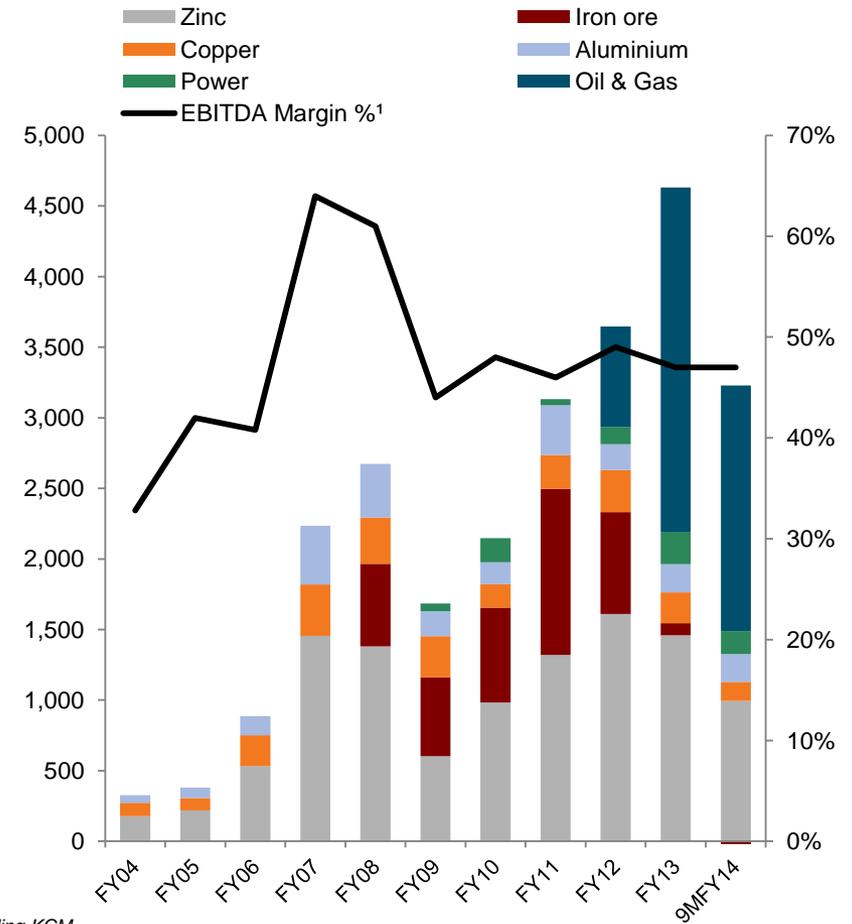
(H1 FY2014 EBITDA margin)



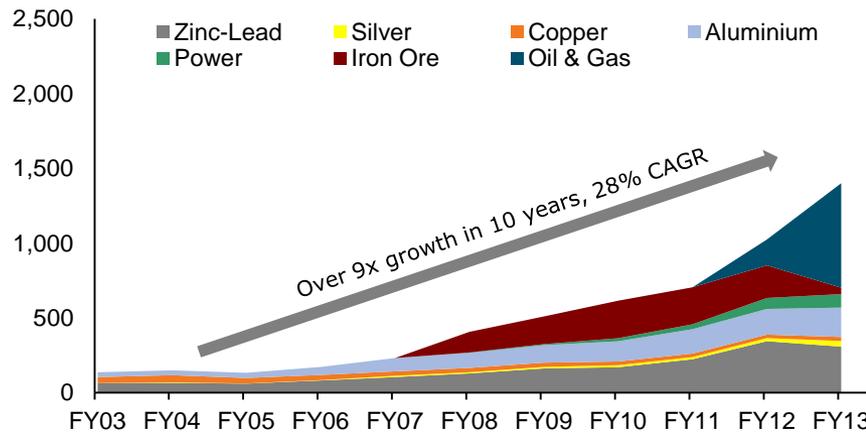
Source: Bloomberg. Peers are Anglo American, BHP Billiton, Freeport-McMoRan, Glencore Xstrata (Mining business), Rio Tinto, Teck and Vale. Numbers represent H1 FY2014 for SSSL, FY2013 for BHP and H1 2013 for other peers.

Consistent Margins driven by Diversification

(EBITDA by Segment in \$mn)



Production Growth (in Copper Equivalent kt)²



Notes: All the numbers used in the above charts are proforma numbers calculated by taking Vedanta numbers excluding KCM

1. Excludes custom smelting at Copper and Zinc India operations
2. All metal and power capacities rebased to copper equivalent production (defined as production x commodity price / copper price) using commodity prices for H1 FY2014. Copper custom smelting capacities rebased at TC/RC for H1 FY2014.

Sustainability: Core to our Business

Safety

- Significant reduction in LTIFR
- Focus is on eliminating fatalities

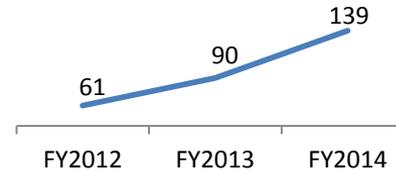
Environment

- Significant investments (US\$250mn+ over last 3 years)
- Higher technical standards, more recycling rate and zero-discharge facilities.
- Water and Energy projects

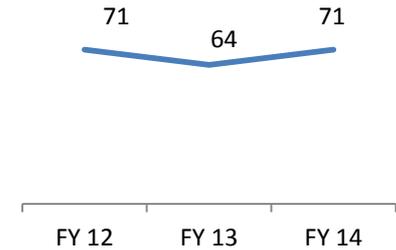
Sustainability Risk Management

- Vedanta Sustainability Assurance Program in the second year of implementation.

Waste Heat Recovery - Electricity Generation Capacity (MW)

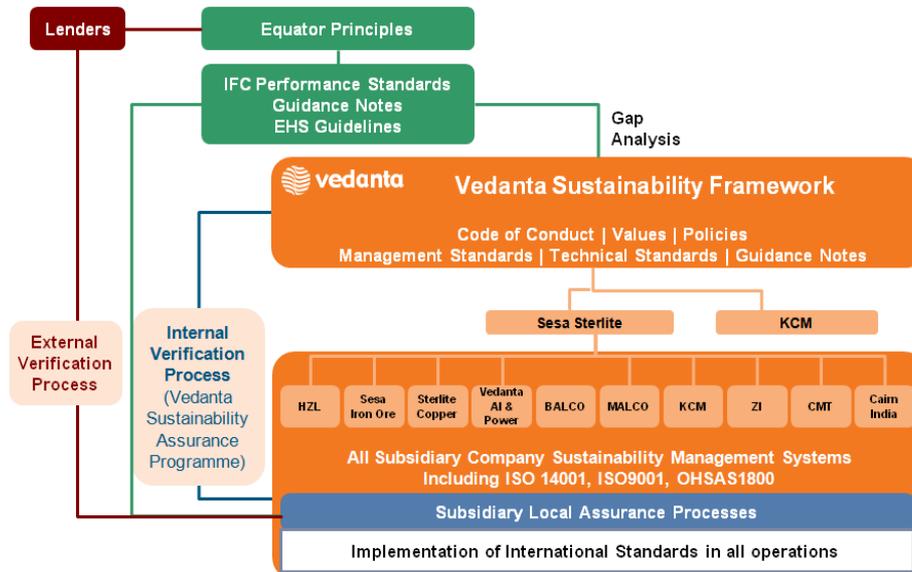


Waste Recycled - % of non-hazardous waste



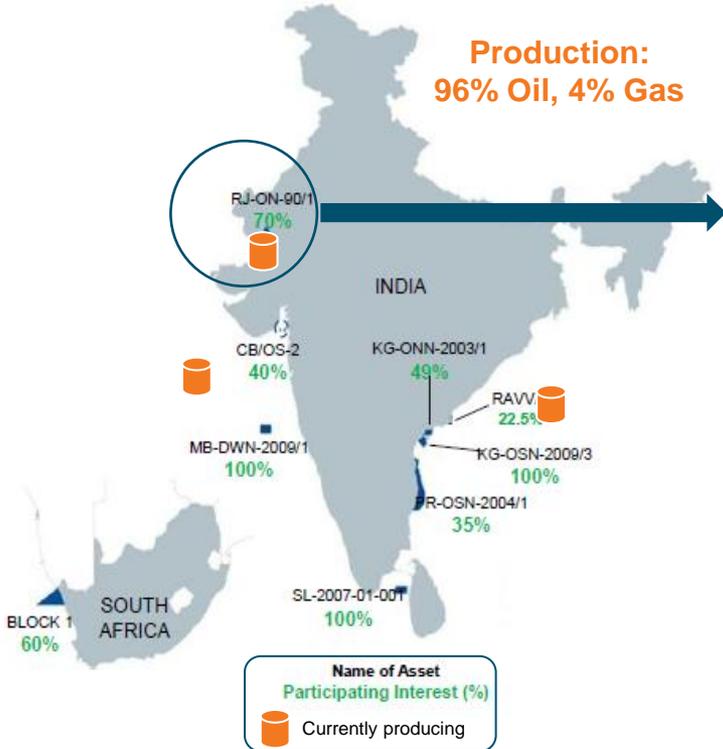
Local communities and Society

- Around 68,000 direct and indirect employees
- In FY2013:
 - US\$5.2bn to government exchequers
 - 3,500 village meetings held
 - Over 3.4 million people benefited through initiatives

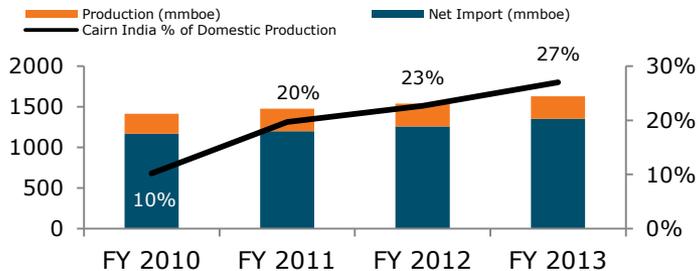


Oil & Gas: A World Class Asset Base

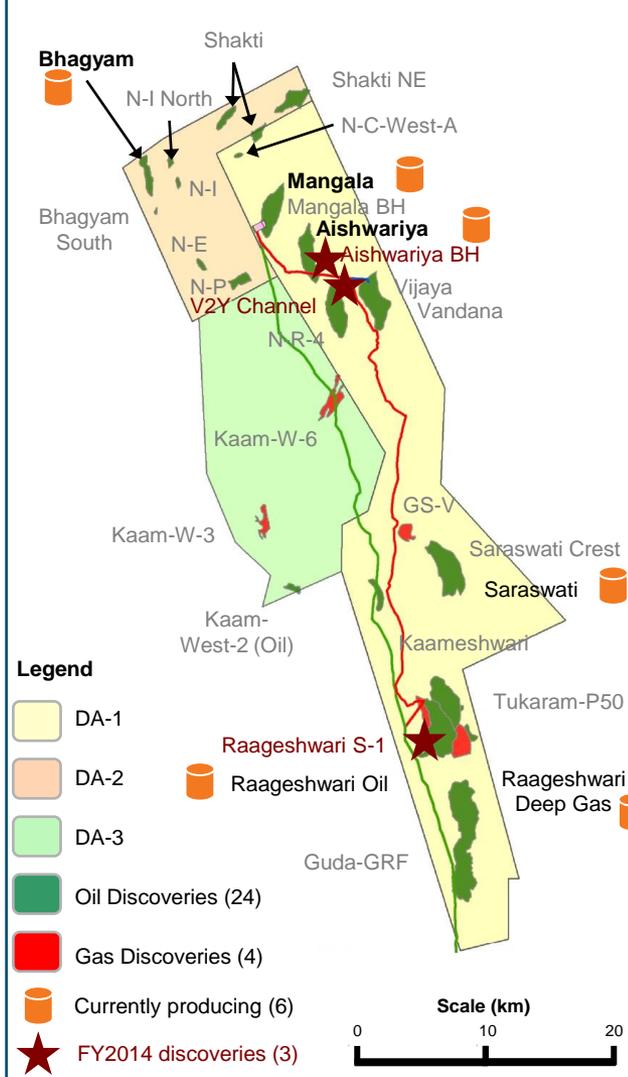
Assets: Diversity of basins, plays and environments



India's Oil Requirements & Cairn India's Share of Production

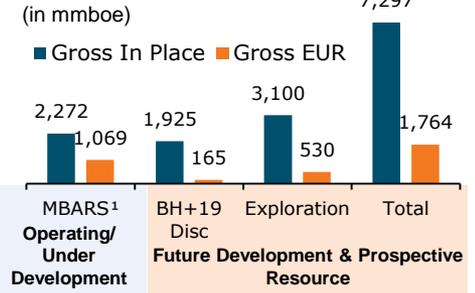


Rajasthan Onshore Block (28 discoveries)

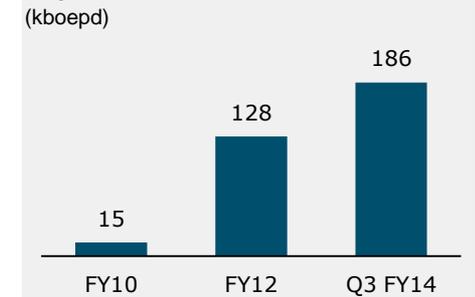


- On-shore
- Low-cost & Scalable
- Primarily Oil
- Exploration Upside
- Close to Markets

Resource Potential: 7.3bn boe in place



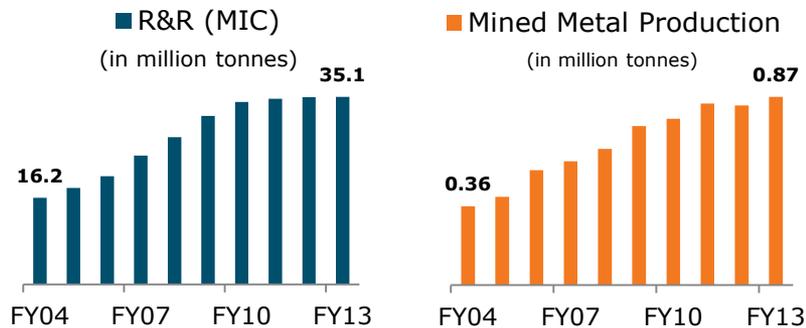
Rajasthan Production Growth



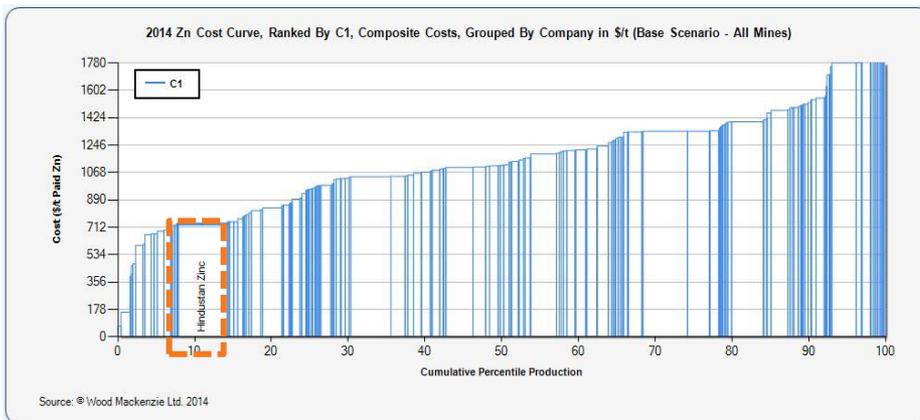
Zinc India

- 2nd largest integrated zinc producer globally
- Lowest quartile costs
- Brownfield expansion to 1.2mtpa mined metal

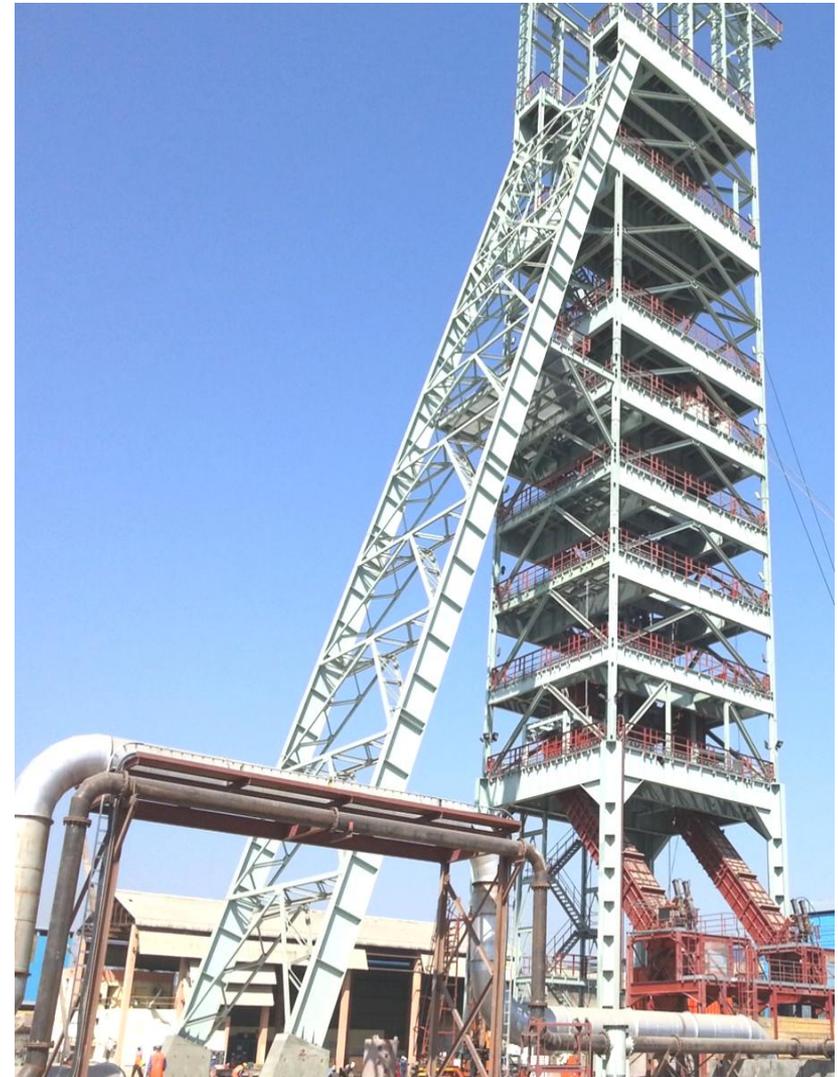
Track Record of Exploration Success



Refined Zinc – Lowest Quartile Cost Position



Shaft Headgear, Rampura Agucha, Zinc India



Iron Ore

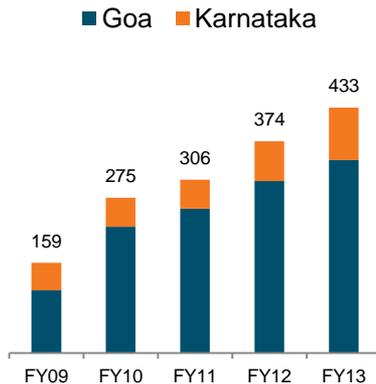
- Goa: Proximity to port, Direct Shipping Ore
- Karnataka: Direct Shipping Ore
- Strong track record of exploration
 - Long R&R life: 20+ years at 16.8mtpa¹
- State-wide mining restrictions
 - Karnataka: Operations resumed in December 2013
 - Goa: Supreme Court process underway, expect resolution in a few months
 - Court has allowed auction of inventory
- Next steps: Restarting production in Goa

Goa Iron Ore Mines – Proximity to Coast



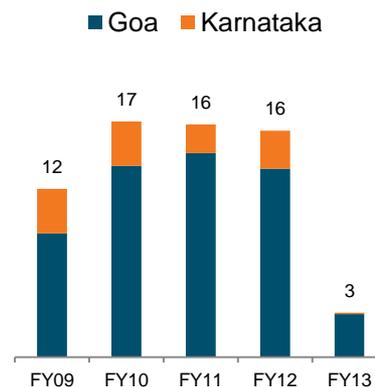
R&R²

(in million tonnes)



Sales²

(in million DMT)



Sanquelim Reclaimed Iron Ore Mine, Goa



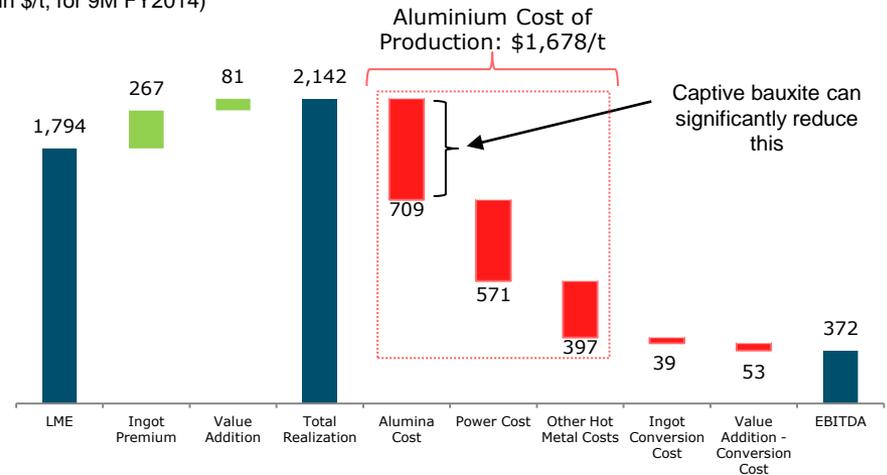
Note: 1. Existing EC capacity of 14.5mt in Goa and 2.3mt provisional capacity in Karnataka
 2. Excludes Orissa operations that were closed in FY2011

Aluminium and Power

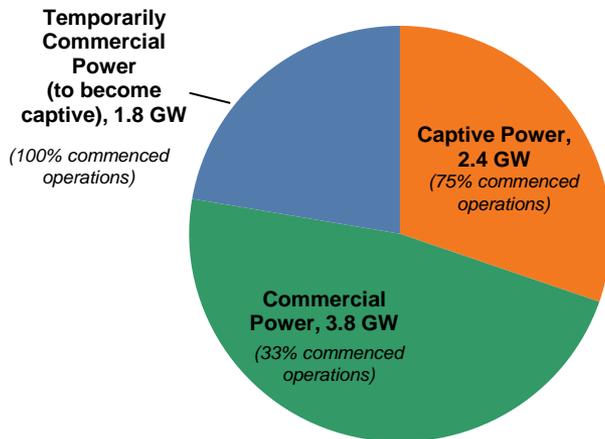
- Aluminium assets located in Eastern India with abundant bauxite and coal deposits
- Costs in lower half of global cost curve without captive bauxite
 - Smelters operating above rated capacity
 - Captive bauxite key to improve margins further
- Committed to an integrated aluminum strategy
 - 2.3mtpa aluminium capacity with captive thermal power and alumina refinery
 - Working closely with Government of Odisha to ensure sustainable supply of bauxite

Aluminium Costs and Margins

(in \$/t, for 9M FY2014)



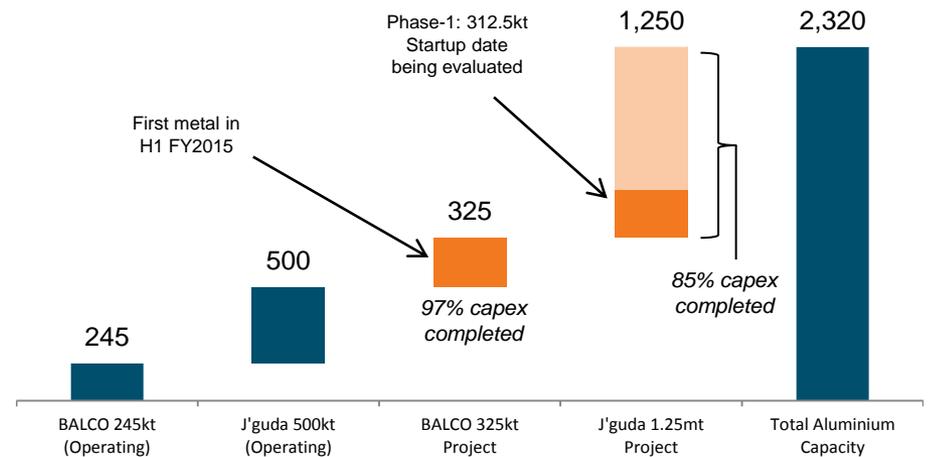
Power Generation Capacity – c. 8.6 GW



Note: Pie chart excludes 0.6 GW of captive power at Zinc India and Copper India

Roadmap to 2.3mtpa Aluminium Capacity

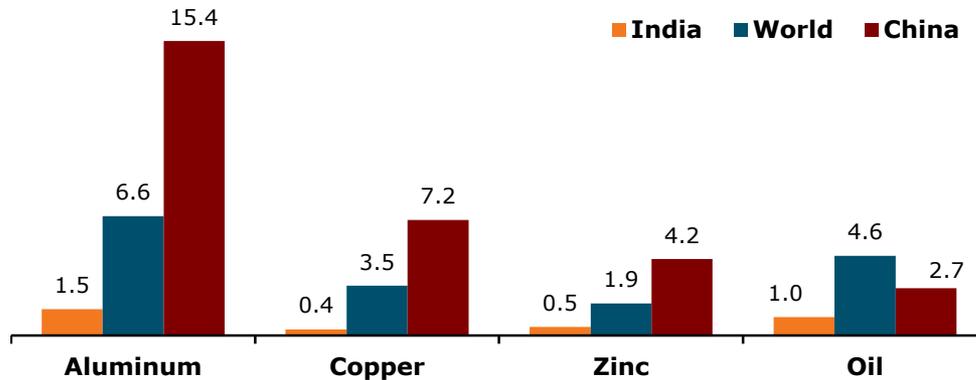
(in ktpa)



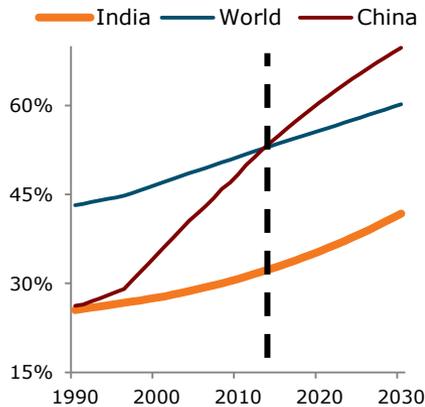
India: Strong Fundamentals for Demand

Low Per Capita Consumption

(Metals - CY 2013 per capita consumption in kg;
Oil - CY2012 per capita consumption in barrels)

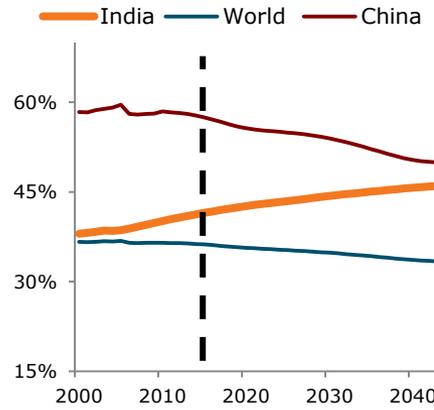


Urbanization increasing but below World average



Increasing Labour Force

(% of Total Population)



A view of the skyline of Mumbai

Sources: Wood Mackenzie, BP Statistical Report, Global Insight

India's Unexplored Potential - Metals

India: Shared geology and mineral potential with Africa & Australia

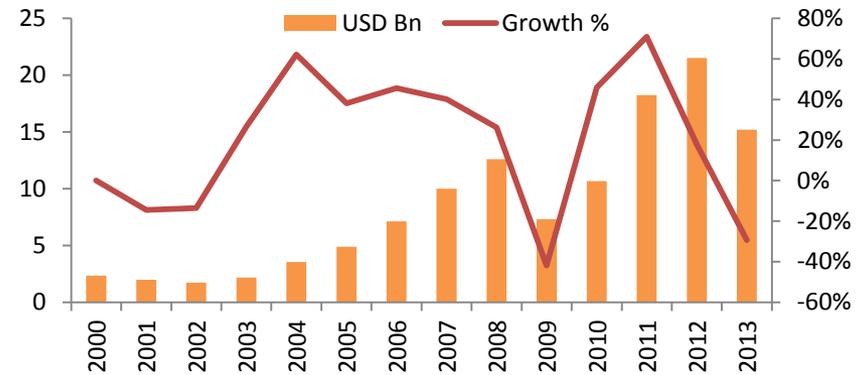
India reserves ranking

Global ranking¹

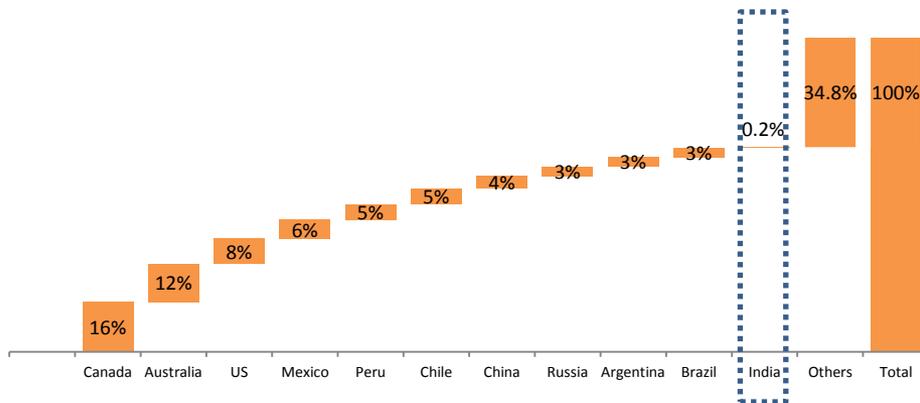


- 7th Iron Ore**
R&R: 29 bn tonnes
- 5th Coal**
R&R: 295 bn tonnes
- 8th Bauxite**
R&R: 3.5 bn tonnes

Global non-ferrous exploration spending has fallen



India's share of global non-ferrous exploration spending very low



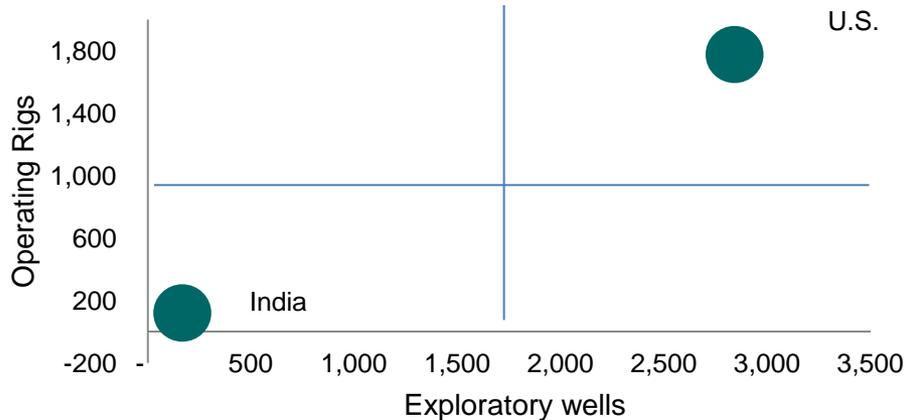
India's commodity production as a proportion of reserves lower than China

Reserves/ Production Ratio	Bauxite	Coal	Iron Ore
India	38	100	53
China	10	31	18

Source : SNL Metals Economics Group, Wood Mackenzie, GOI Ministry of Mines, BP Statistical Review June 2013, Metalitics Iron Ore compendium, U.S. Geological Survey
 Total estimated Reserves and Resources based upon public sources including GSI, GOI, Wood Mackenzie, UNFC & IBM
 1. Ranking based on reserves

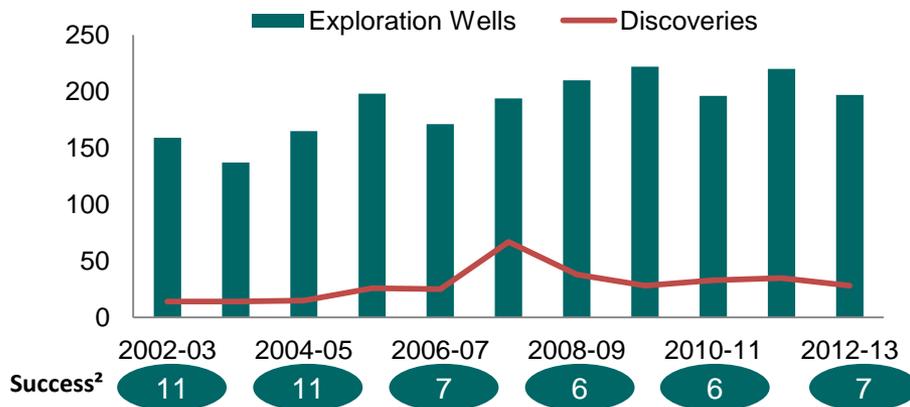
India's Unexplored Potential – Oil & Gas

India drilled ~6,700 exploratory wells since inception; U.S drills as many wells in less than 3 years¹

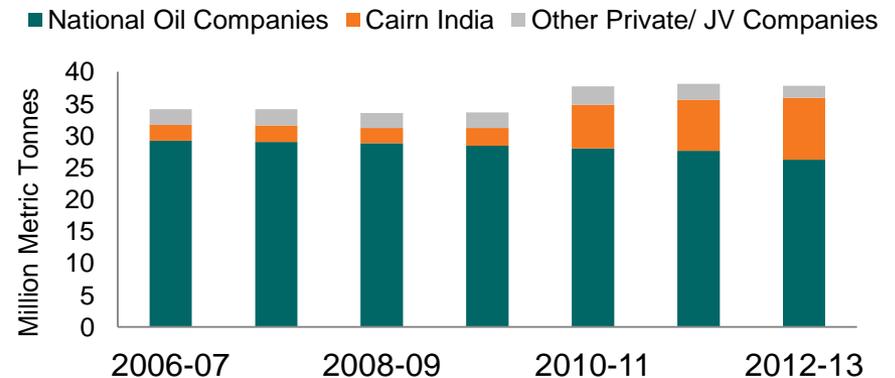


- 78% basins yet to be well explored
- ~130 Bn barrels of resource in 'yet to find' category
- 32% basins yet to be offered for exploration
- 96% discovered resources are from 6 of our 26 basins
- ~50% discoveries are now made by private/foreign companies

Wells explored and discoveries in India



India's Crude Oil production



Source: DGH, EIA, World Oil, PIB, MoPNG, IEA WEO 2013

1. U.S wells data for 2010; India for FY 2012-13. Rig data for November 2013;

2. Number of exploration wells drilled per discovery

World Class Assets

Rajasthan Oil & Gas, India



Rampura Agucha Zinc-Lead mine, India



Aluminum Smelter, Jharsuguda, India



Iron Ore mine, Goa, India



Key Priorities

Production growth across portfolio with a focus on returns

- Disciplined capital allocation: Low-risk and phased development
- Sustained operational excellence and cost efficiencies
- Active engagement with Governments

Reduce gearing from increasing free cash flow

- Production ramp-up from well-invested assets driving strong free cash flow
- Generate positive free cash flow from all businesses
- Utilise cash flows to de-lever

Continue to add R&R in our existing portfolio of assets to drive long-term value

- Continued focus to more than replace production
- Exploration programme to realise vision of 300kboepd at Rajasthan

Minority Buyouts

- Buyout of Gol's stake in HZL and BALCO

Growth 

Long-term Value 

Sustainability 

Long-Term Value Creation with a Focus on Sustainability

Appendix

Opportunities and Challenges

Group Structure	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Merger Completed <input type="checkbox"/> Buyout of GoI's stake in HZL and BALCO
Zinc India	<ul style="list-style-type: none"> <input type="checkbox"/> Mining Expansion: 1.2mtpa by FY2017
Oil & Gas	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> 225+ kboepd by FY2014 <input checked="" type="checkbox"/> GoI issued policy on Integrated Block Development <input type="checkbox"/> Re-commenced exploration in Rajasthan
Iron Ore	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Karnataka: Operations restarted in December 2013 <input type="checkbox"/> Goa: Supreme Court's interim order permits sales of inventory <input type="checkbox"/> Liberia: 1st phase under review
Aluminium and Power	<ul style="list-style-type: none"> <input type="checkbox"/> Power: Increase utilization of Jharsuguda 2,400MW; start-up Talwandi Sabo 1,980MW <input type="checkbox"/> Bauxite: Pursuing multiple options for captive source
Copper	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Tuticorin Smelter: Restarted with fast ramp-up to full capacity

Harnessing India's Resource Potential

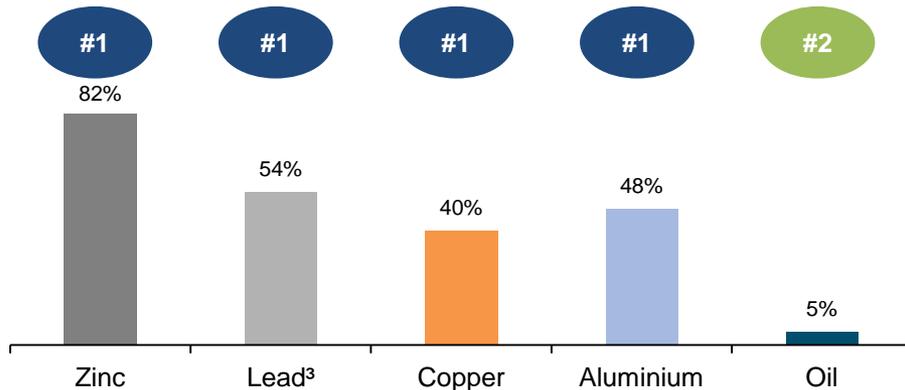


Sesa Sterlite operates in the key mineral rich states of India (% of India's reserves) ¹

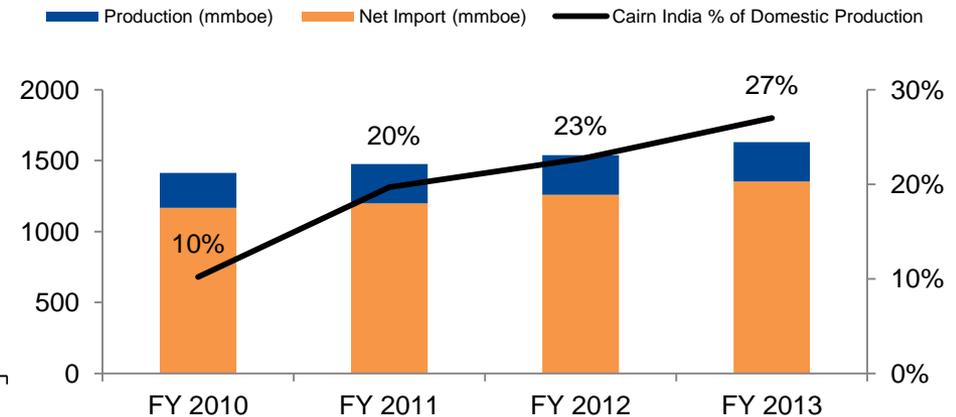
State	Jharkhand	Orissa	Chhattisgarh	Madhya Pradesh	Andhra Pradesh	Rajasthan	Karnataka	Goa
Bauxite	-	51%	-	-	21%	-	-	-
Iron Ore	14%	17%	10%	-	7%	-	41%	7%
Coal	29%	24%	16%	18%	7%	-	-	-
Zinc-Lead	-	-	-	-	1%	90%	-	-

Sesa Sterlite - Strong Market Positioning in India

FY2013 India Market Shares²



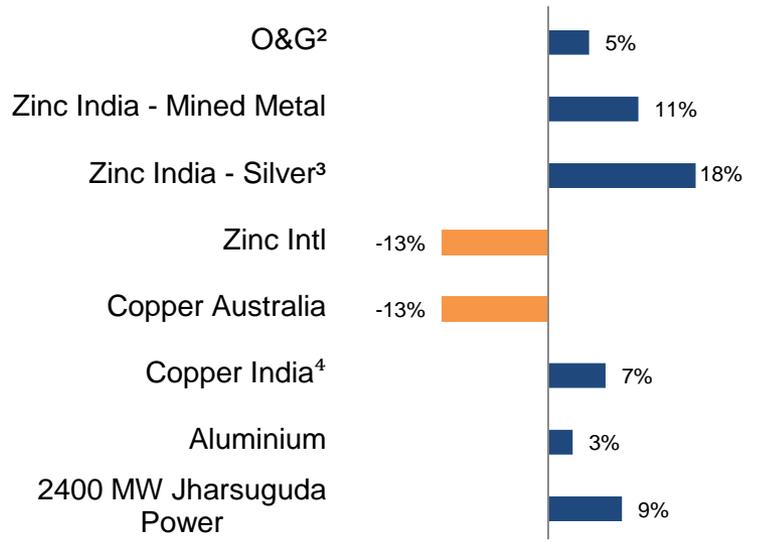
India's Oil Requirements & our Share of Production



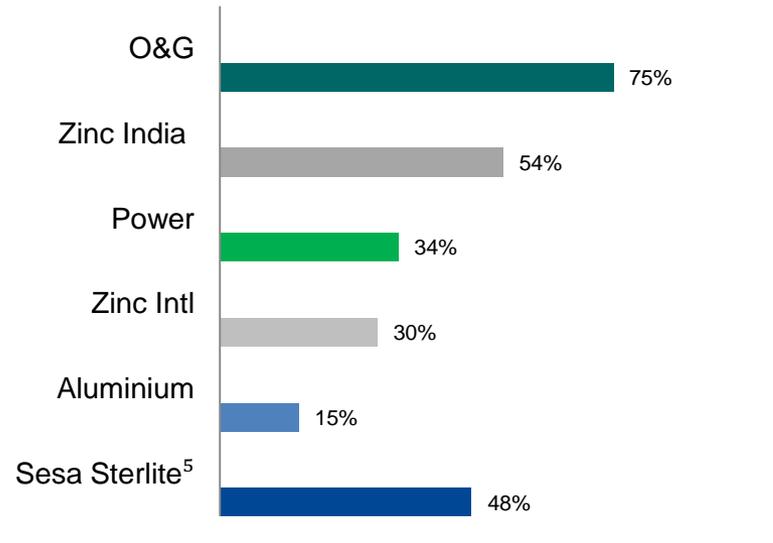
Source: Indian Ministry of Petroleum and Natural Gas, IBIS, Aluminum Association of India, ILZDA, company sources, Ministry of Mines, Ministry of Coal, Government of India, Indian Bureau of Mines, Centre for Monitoring Indian Economy, FICCI.
 1. Only major states covered
 2. Based on domestic Consumption, except Aluminium which is based on primary production. Rank excludes imports. Oil & Gas production numbers considered instead of sales.
 3. Based on Primary lead

9M FY2014 performance

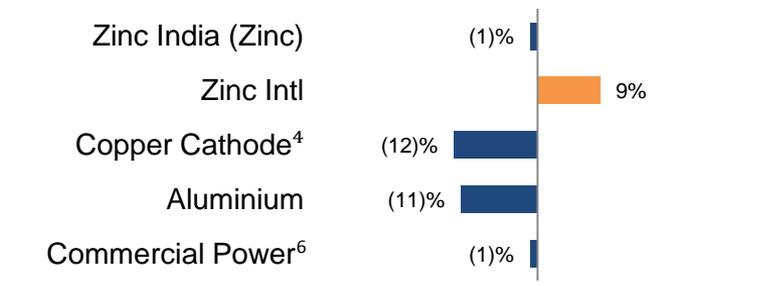
Production¹
(% change 9M FY2014 Vs. 9M FY2013)



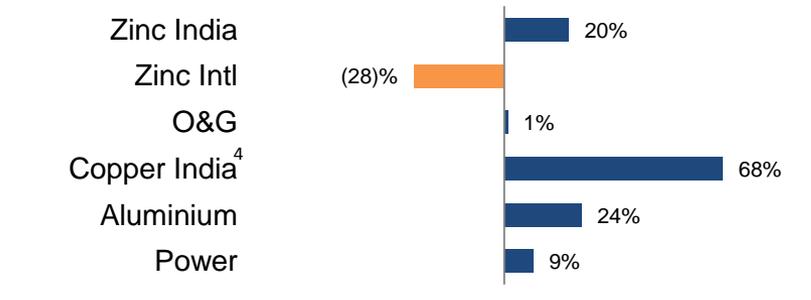
EBITDA Margin by Segment ¹



Unit Costs¹
(% change 9M FY2014 Vs. 9M FY2013)



EBITDA¹
(% change 9M FY2014 Vs. 9M FY2013)



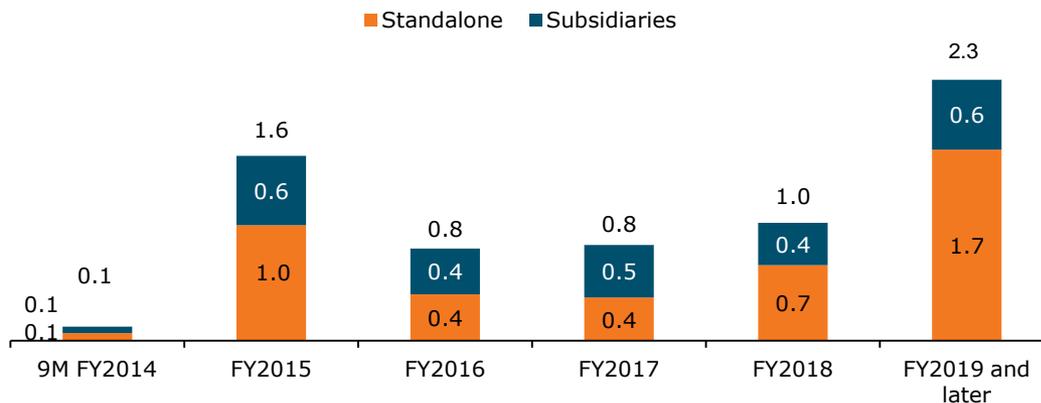
Notes:

1. Excludes Iron Ore
2. Working interest
3. Integrated Production

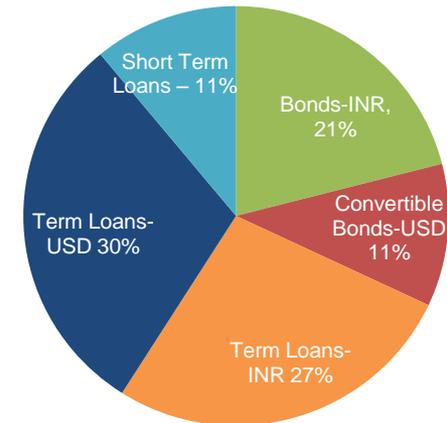
4. Copper India numbers taken for Q4 since the 9M numbers are not comparable due to shutdown in Q1 FY2014
5. Excludes custom smelting at Copper India and Zinc India
6. 2,400 MW power plant at Jharsuguda

Maturity Profile

Term Debt Maturity Profile (in \$bn)
(as of 31 December 2013)



Diversified Funding Sources
(as of 31 December 2013)



Total External Term Debt of \$6.6bn

- Debt of \$4.1bn at Standalone and \$2.5bn at Subsidiaries, total consolidated \$6.6bn
- Above maturity profile excludes working capital debt of c.\$3bn and inter-company loan from Vedanta Plc of \$3.9bn.
- Maturity profile shows external debt at face value
- **Cash and Liquid Investments of \$8bn, with additional \$1.2 bn undrawn lines of credit**
- **Healthy net Debt/EBITDA of 1.3x¹**
- **Net Gearing ratio of 25%**

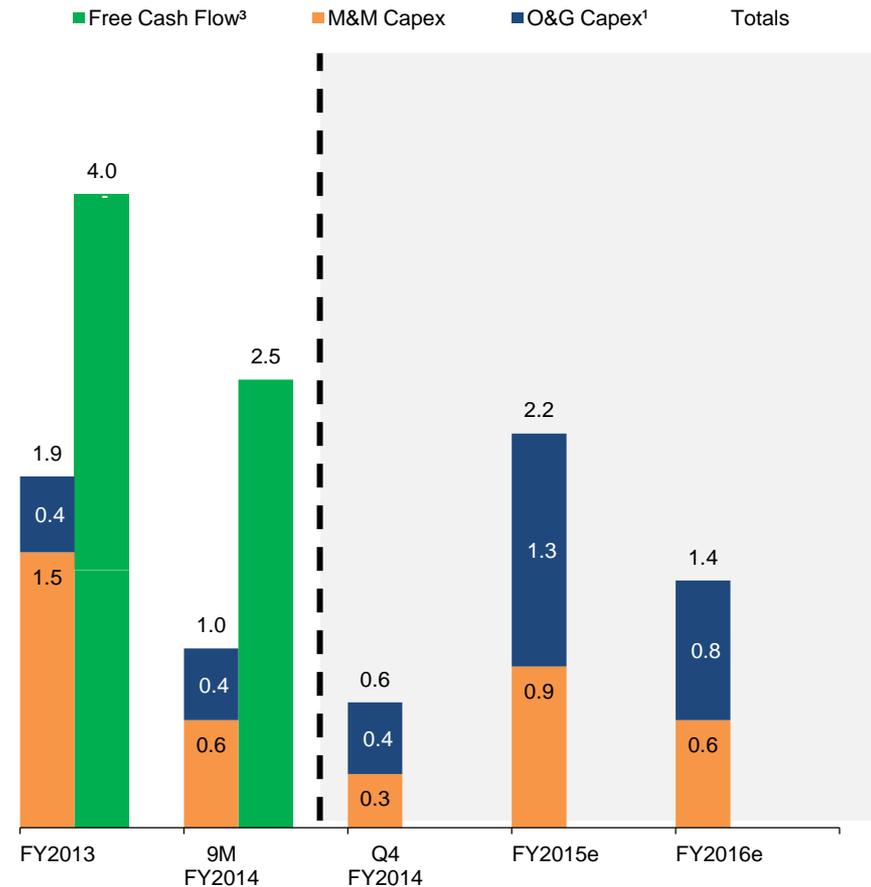
Note: Exchange Rate : INR 61.9 per USD at 31 Dec 2013

1. 9M FY2014 Annualised Proforma EBITDA

Well-Invested Assets Driving Positive Cash Flow **sesa sterlite** a vedanta company

- Positive Free Cash Flow with production ramp-up
 - \$1.6 bn free cash flow (post growth capex) in 9M FY2014
- Actively managing and reviewing our capex requirements
- Capex to be spent up to FY2016:
- **Oil & Gas: c.\$2.5bn¹**
 - 80% of capex on proven and high-margin Rajasthan block
- **Metals & Mining: c.\$1.8bn²**
 - \$0.6bn for expansion at Zinc India
 - Remaining \$1.2bn on Talwandi Sabo, Aluminium smelters and other ongoing projects

Capex and Free Cash Flows (\$bn)



Notes: M&M refers to Metals and Mining, O&G refers to Oil & Gas. Free Cashflow and capex are IFRS numbers on proforma basis

1. Capex net to Cairn India; subject to Government of India approval

2. Flexible capex of a further 1.4bn (Lanjigarh Refinery, Tuticorin Smelter, and India Iron Ore Expansions): Awaiting regulatory approvals and subject to review

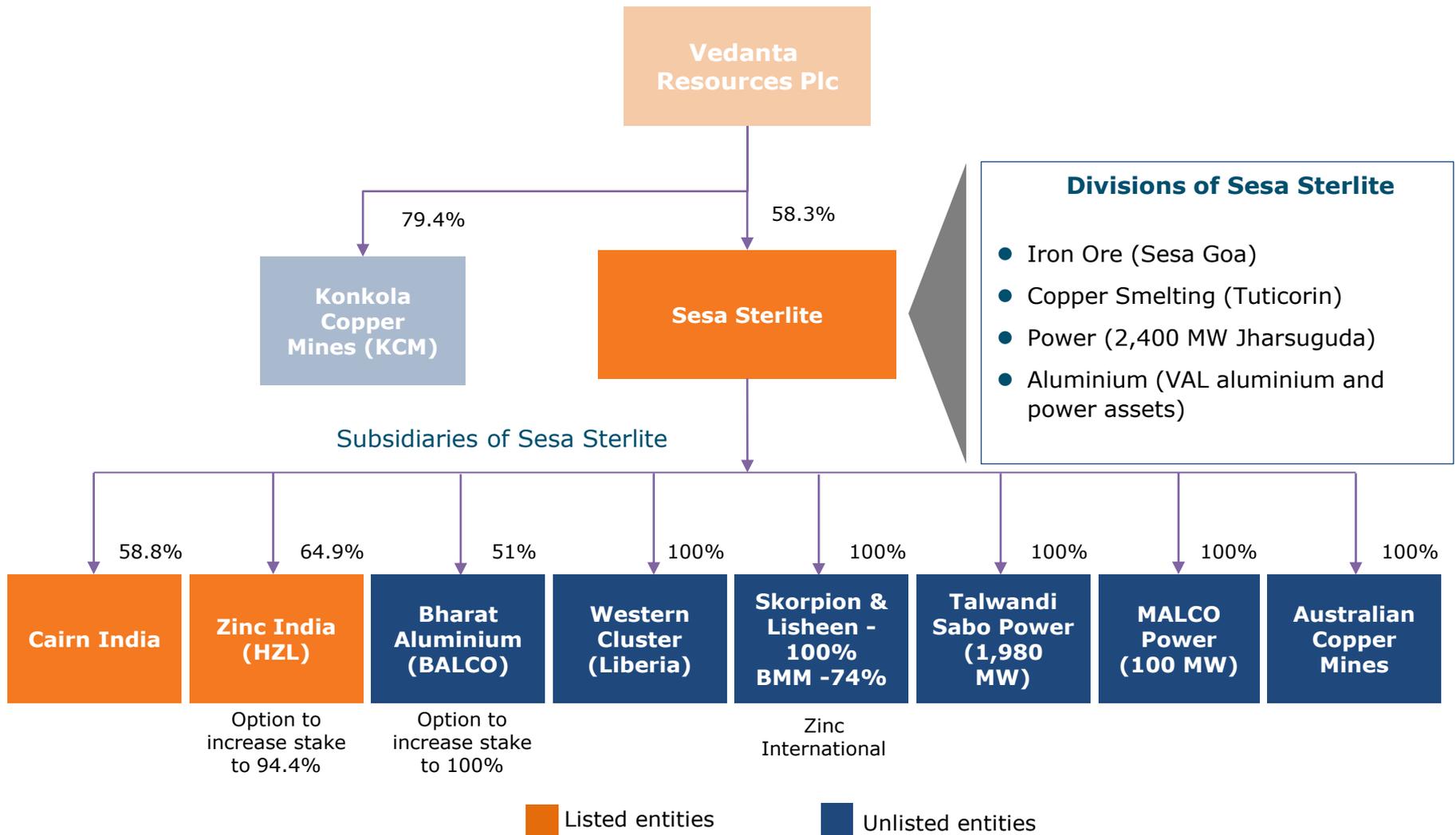
3. Free cash flow after sustaining capex but before growth capex

Entity wise Debt and Cash

Net Debt Summary (\$ mn)	31 March 2013 (Proforma)			31 December 2013		
	Debt	Cash & LI	Net Debt	Debt	Cash & LI	Net Debt
Sesa Sterlite Standalone	6,830	494	6,336	6,617	592	6,025
Zinc India	-	3,929	(3,929)	-	3,689	(3,689)
Zinc International	-	197	(197)	-	184	(184)
Cairn India	-	3,093	(3,093)	91	3,572	(3,481)
BALCO	790	0	790	810	7	803
Talwandi Sabo	706	1	705	807	4	803
Cairn acquisition SPV ¹	5,108	10	5,098	5,094	17	5,077
Others ²	114	10	104	154	22	132
Sesa Sterlite Consolidated	13,548	7,734	5,814	13,573	8,087	5,486

- Notes:
- Debt numbers at Book Value
- Exchange Rate : INR 54.4 per USD as on 31 March 2013; INR 61.9 per USD as on 31 December 2013
1. Includes inter-company loan from Vedanta Plc to Sesa Sterlite of \$3.9 bn as on 31 December 2013 for Cairn acquisition. There was an accrued interest payable of \$388 mn on the inter-company debt.
 2. Others includes CMT, VGCB, Fujairah Gold, and Sesa Sterlite investment companies.

Group Structure



Note: Shareholding based on basic shares outstanding as on 31 December 2013