



sesa sterlite
a vedanta group company

A Global Natural Resource Major

December 2013



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Corporate

- Merger of Sterlite Industries (India) Limited and Sesa Goa Limited, and consolidation of Vedanta Group completed; merged company named "Sesa Sterlite Limited"

Financial

- Proforma Revenue of Rs. 32,387 crore
- Proforma EBITDA of Rs. 12,434 crore
- Proforma Attributable PAT of Rs. 2,003 crore
- Proforma EBITDA Margin¹ of 47%
- Interim dividend of Rs. 1.50 per share

Operations

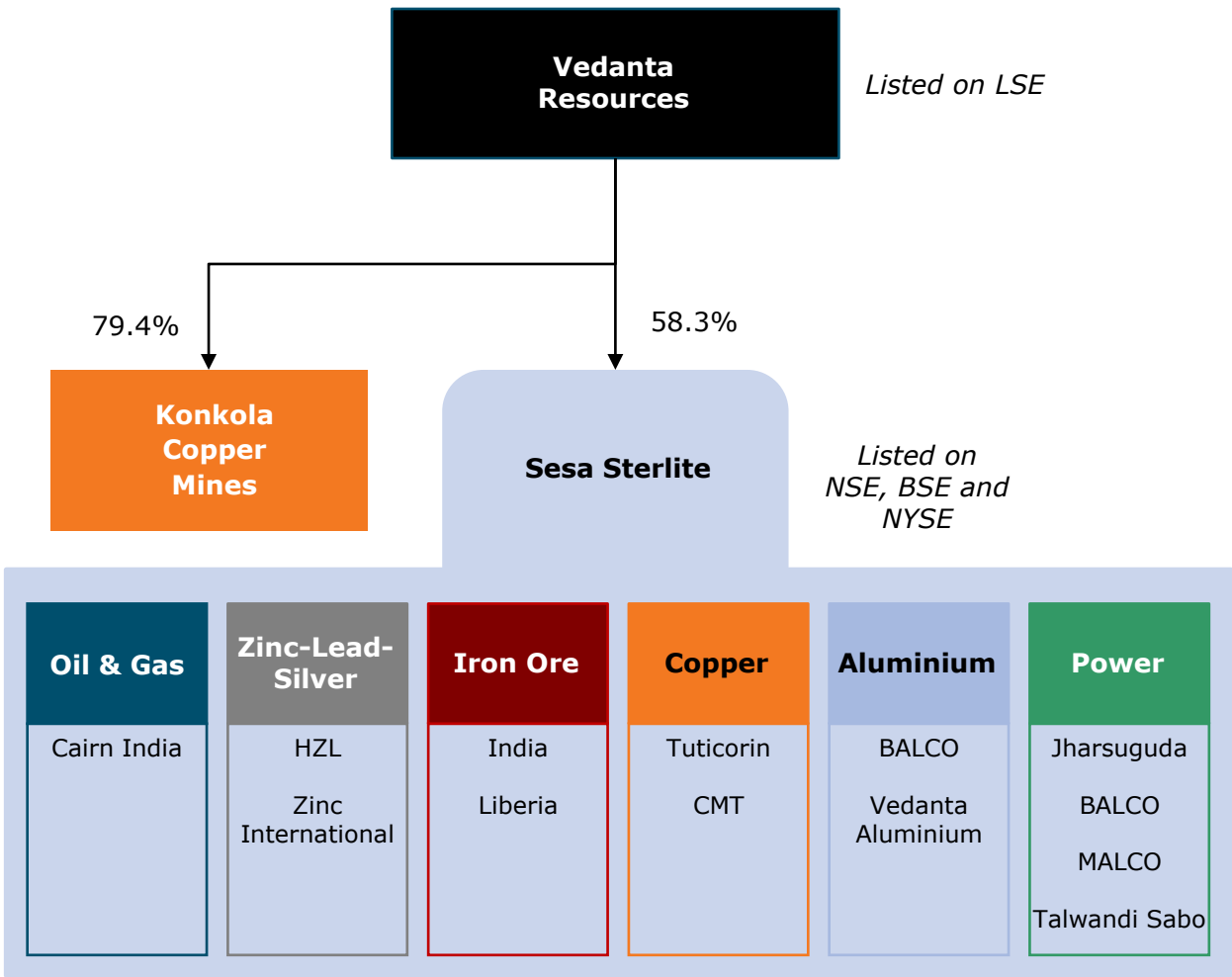
- Record oil & gas production
- Increased production of refined zinc, lead and silver at Zinc India
- Continued strong performance at Aluminium
- Managing cost performance despite industry-wide inflationary trends

Note: 1. Excludes custom smelting at Copper and Zinc-India operations

Merger Completed



- Simplified structure, cross-holdings eliminated
- On track to achieve announced financial synergies
- Evaluating further operational synergies



Positioning	R&R Life ¹	H1 FY2014 Production	Capacity ²
Oil & Gas India's largest private-sector crude oil producer	15	213kboepd	225+ ³ kboepd
Zinc India Largest integrated zinc producer	25+	459kt	1.2mtpa
Zinc Intl. One of the largest undeveloped zinc deposits	20+	196kt	400ktpa
Silver One of the largest silver producers	25+	6.0moz	16mozpa
Iron Ore⁴ Largest private sector exporter in India, Large deposit in Liberia	20+	- ⁵	16.8mtpa
Aluminium Strategically located large-scale assets with integrated power		395kt	2.3mtpa
Power One of India's largest thermal power producers		5.1bn units	8.8 GW (c. 3 GW commercial)

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

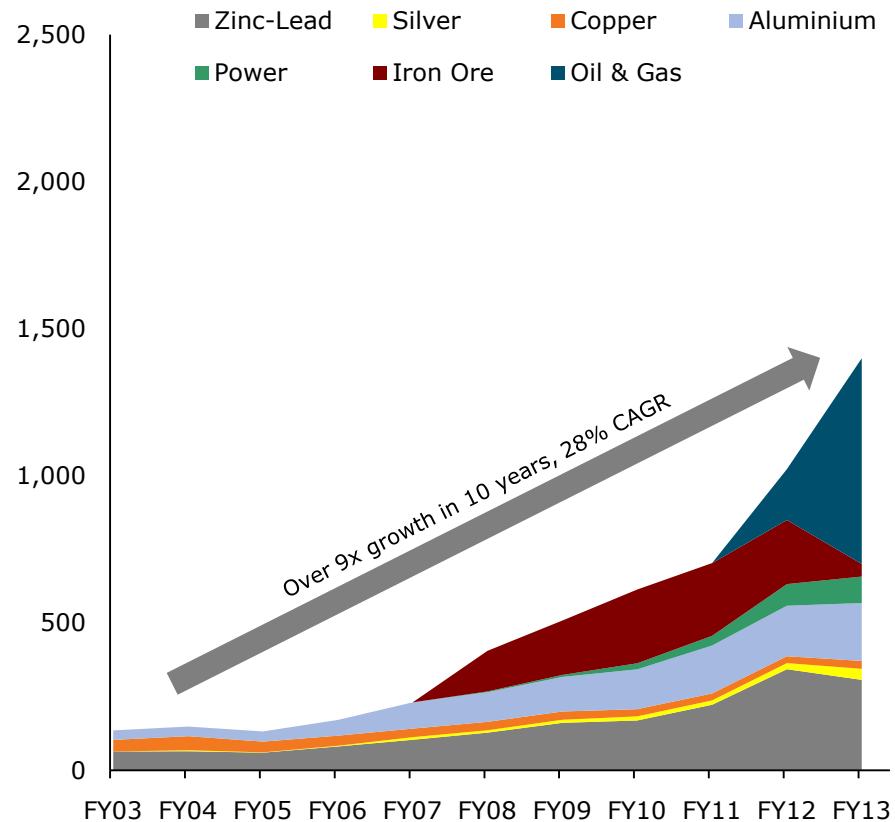
3. Expected capacity for currently producing assets, subject to approvals
4. Numbers excluding Liberia
5. Iron Ore operations affected by mining restrictions in Karnataka and Goa

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

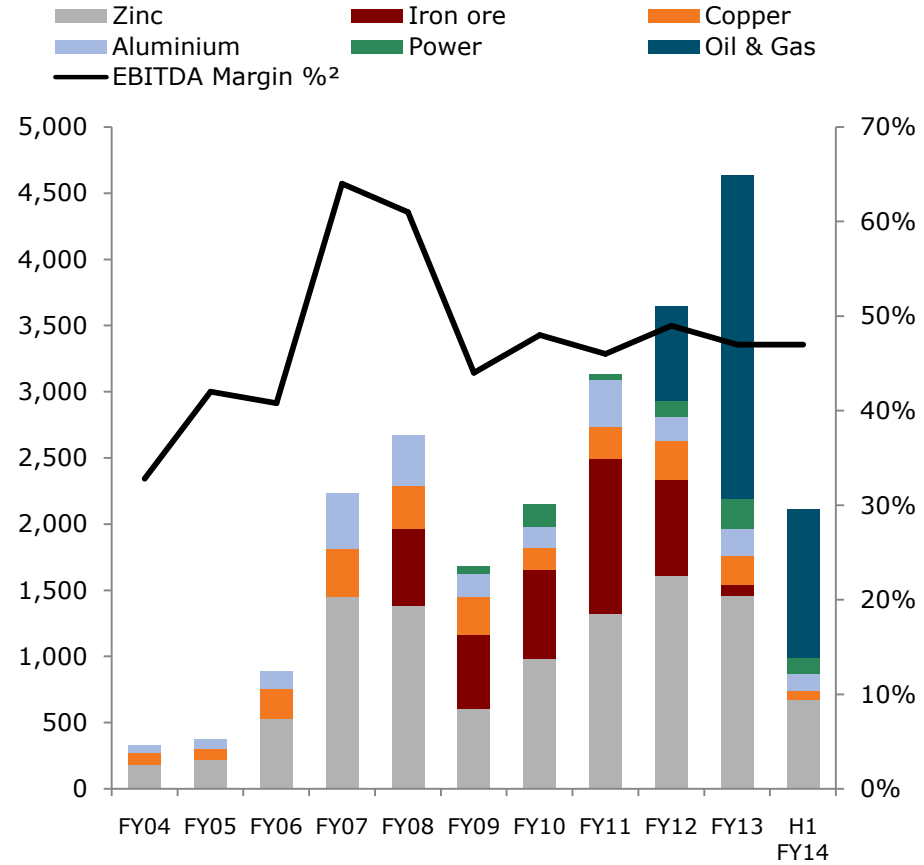
Strong production growth with consistent margins



Production Growth
(in Copper Equivalent kt)¹



Consistent Margins driven by Diversification
(EBITDA by Segment in \$mn)

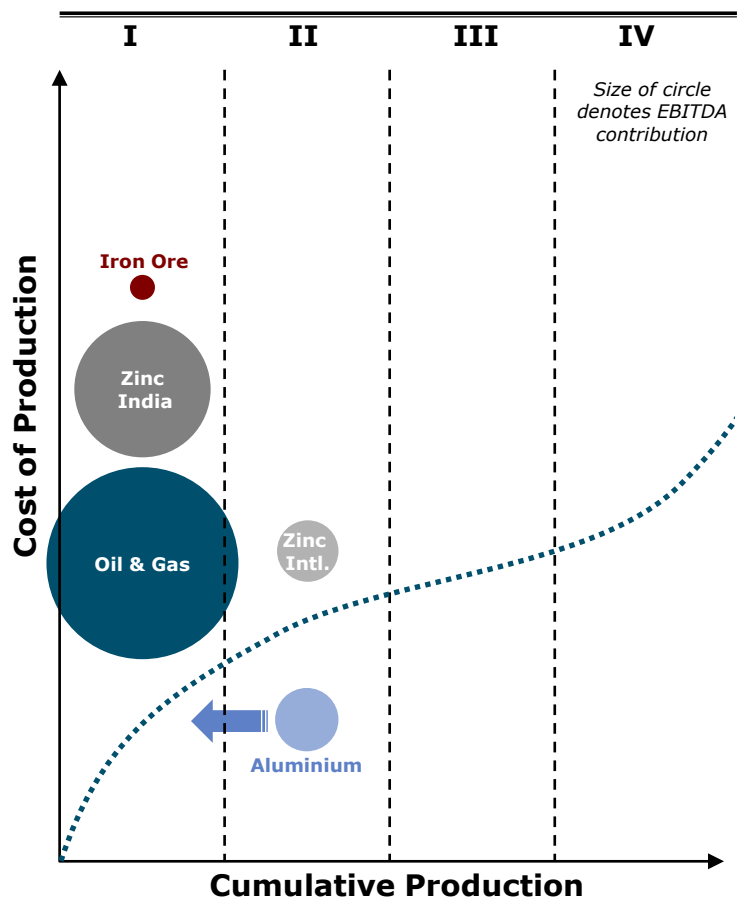


Note:
 1. All metal and power capacities rebased to copper equivalent production using commodity prices for H1 FY2014. Copper custom smelting capacities rebased at TC/RC for H1 FY2014.
 2. Excludes custom smelting at Copper and Zinc-India operations

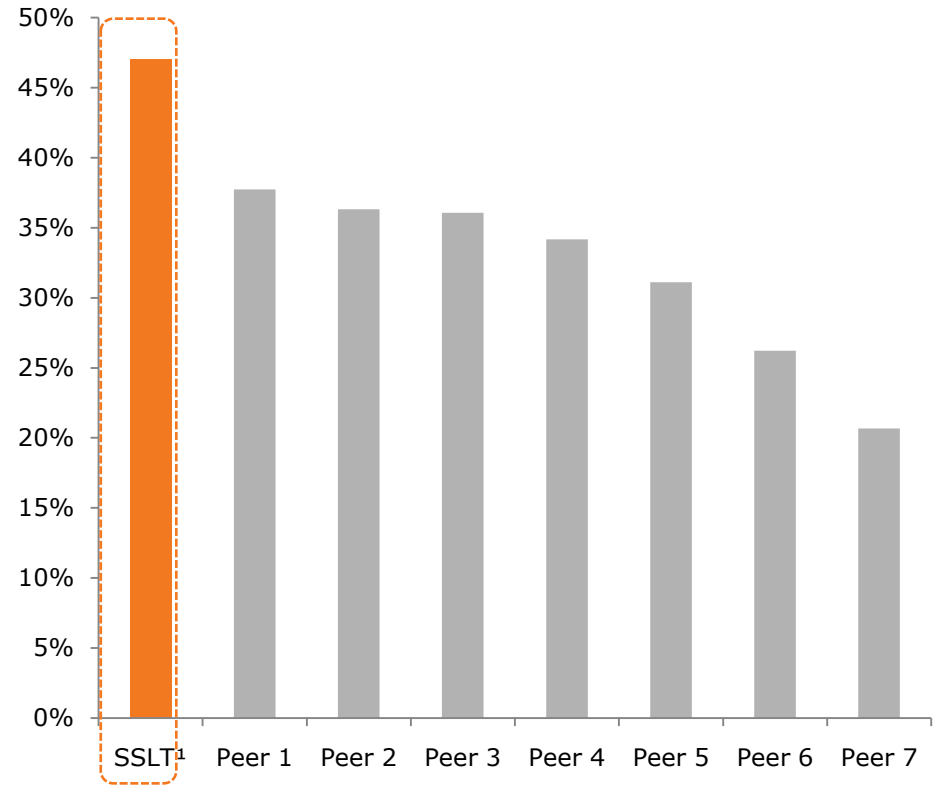
All the numbers used in the charts above are proforma numbers calculated by taking Vedanta numbers excluding KCM

Consistent Margins through the Cycle

Competitive Position on Cost Curve Quartiles



Cost Efficient Tier-1 Assets driving High Margins (EBITDA margin)



Notes: 1. Excludes custom smelting at Copper and Zinc-India operations

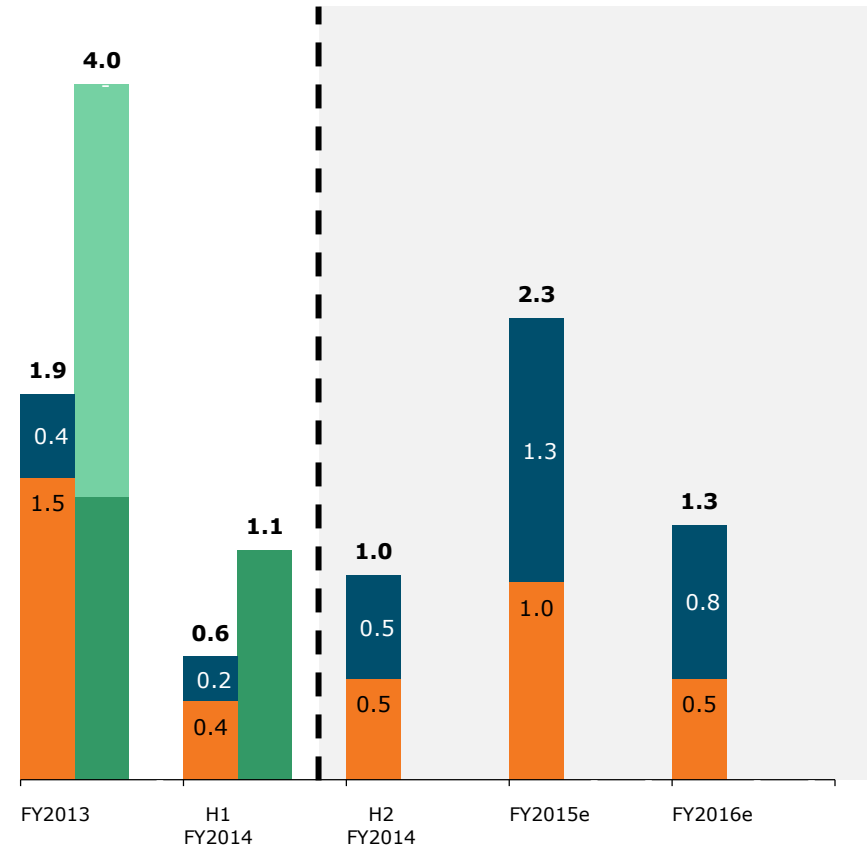
Source: Bloomberg
 Peers are Anglo American, BHP Billiton, Freeport-McMoRan, Glencore Xstrata (Mining business), Rio Tinto, Teck and Vale.
 EBITDA Margin of Sesa Sterlite represents number on proforma basis.

Efficient cost performance delivering Industry-leading Margins

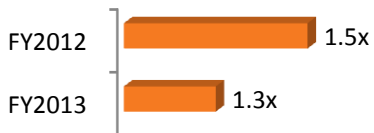
- Positive Free Cash Flow with production ramp-up
 - \$0.5bn free cash flow (post growth capex) in H1
- Actively managing and reviewing our capex requirements
- Capex to be spent up to FY2016
 - Oil & Gas: c.\$2.7bn¹
 - 80% of capex on proven and high-margin Rajasthan block
 - Metals & Mining²: c.\$2bn
 - \$0.7bn for expansion at Zinc India
 - Remaining \$1.3bn on Talwandi Sabo, Aluminium smelters and other ongoing projects

Capex and Free Cash Flows (\$bn)

■ Free Cash Flow-H1³ ■ Free Cash Flow-H2³ ■ M&M Capex ■ O&G Capex¹



Net Debt/EBITDA



Gearing Ratio



Notes: M&M refers to Metals and Mining, O&G refers to Oil & Gas

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

Numbers in the charts above are on proforma basis

Free Cashflow and capex are IFRS numbers

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 type="checkbox"/> Karnataka: Await final clearance <input type="checkbox"/> Goa: Supreme Court's interim order permits sales of inventory <input type="checkbox"/> Liberia: Phased approach, 1st phase of 2mtpa 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

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

Merger Completion; Minority Buyouts

- Merger completed.
- Buyout of GoI's stake in HZL and BALCO

Growth 

Long-term Value 

Sustainability 

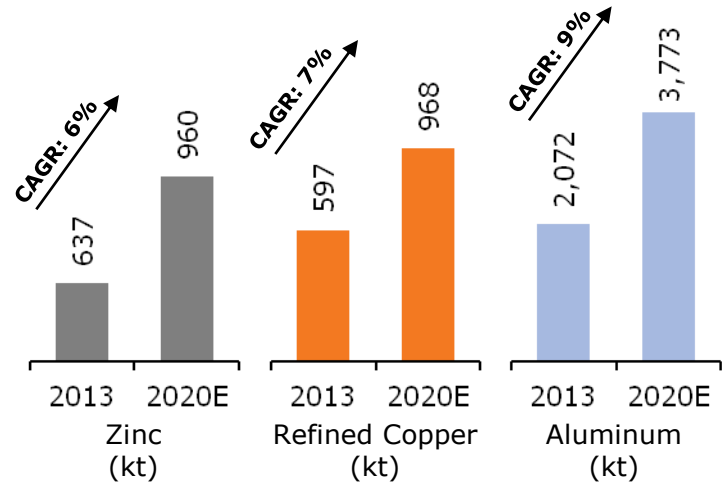
Long-Term Value Creation with a Focus on Sustainability

Appendix

Well Positioned to Capitalise on India's Growth

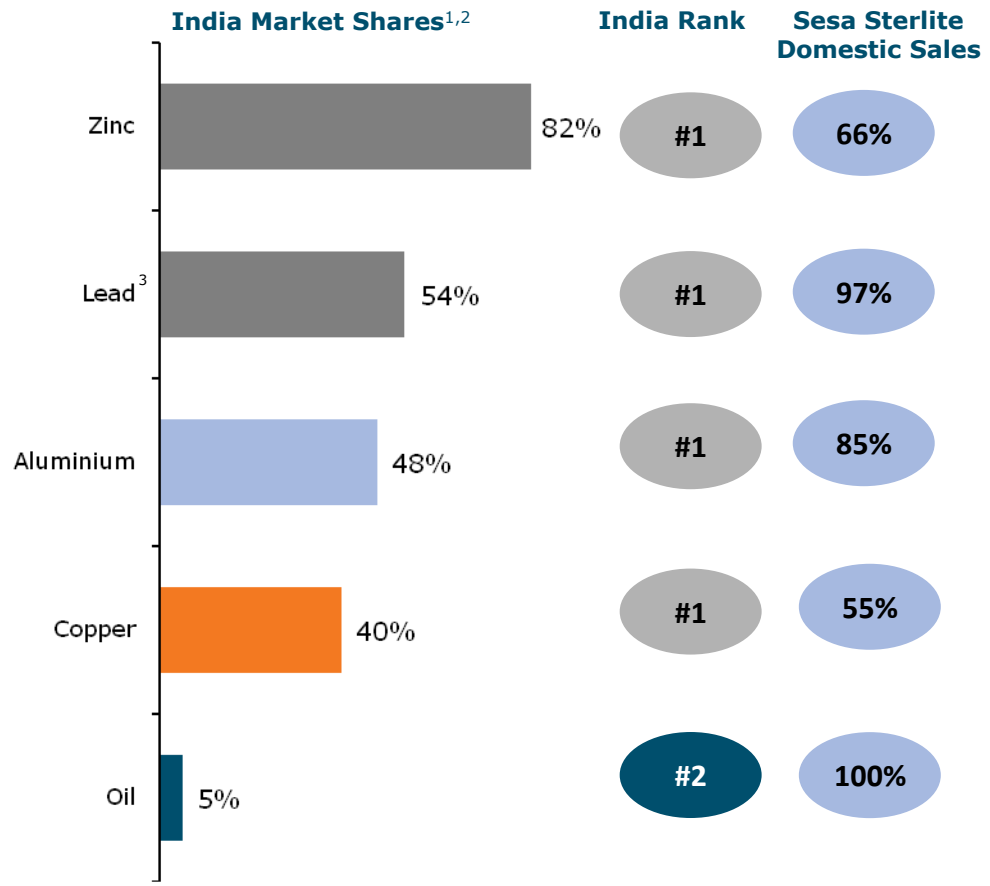


India Demand Outlook

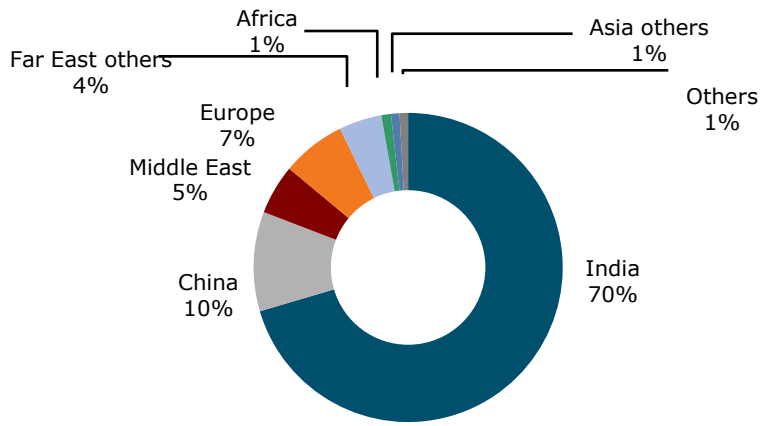


Strong Market Share in India

FY2013



FY2013 Revenue Breakdown by Geography



Source: Aluminium, copper and zinc data from Wood Mackenzie Metals Market Service Long-term Outlooks Q1 2013
 1. Based on domestic consumption, except Aluminium which is based on primary production. Rank excludes imports. Oil & Gas production numbers considered instead of sales
 2. Source: Indian Ministry of Petroleum and Natural Gas, IBIS, Aluminum Association of India, ILZDA, company sources
 3. Based on Primary lead

Zinc-India

- Improved operational efficiencies driving strong volumes
 - Ramp-up in mined metal volumes
 - Operational efficiencies drove strong refined volumes
- Maintained lowest quartile cost position
- FY 2014 expected volumes
 - Mined metal: approx. 950 kt
 - Refined Saleable Silver: 10.8 moz
- Expansion to 1.2mtpa mined zinc-lead underway
 - Production from Kayad and Rampura Agucha underground mine in FY2014

Zinc-International

- Stable operations in Q2
- FY2014 expected production of approx. 390kt

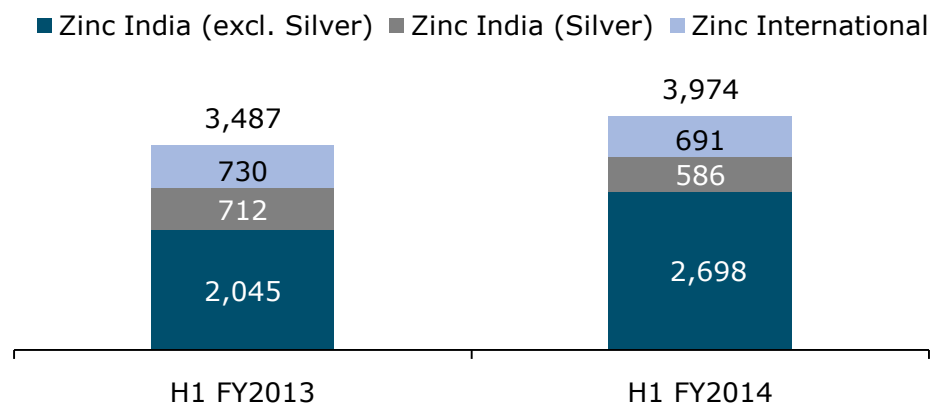
FY2013 numbers are on proforma basis

Zinc-India	H1 FY2013	H1 FY2014
Mined Metal (kt)	377	459
Refined Zinc – Integrated (kt)	310	368
Refined Lead – Integrated (kt) ¹	53	60
Saleable Silver – Integrated (moz)	4.62	5.16
Average Zinc LME (\$/t)	1,906	1,850
Zinc CoP ² (\$/t)	832	810

Zinc-International	H1 FY2013	H1 FY2014
Mined Metal – Lisheen & BMM (kt)	147	127
Refined Zinc – Skorpion (kt)	73	69
CoP (\$/t)	1,090	1,122

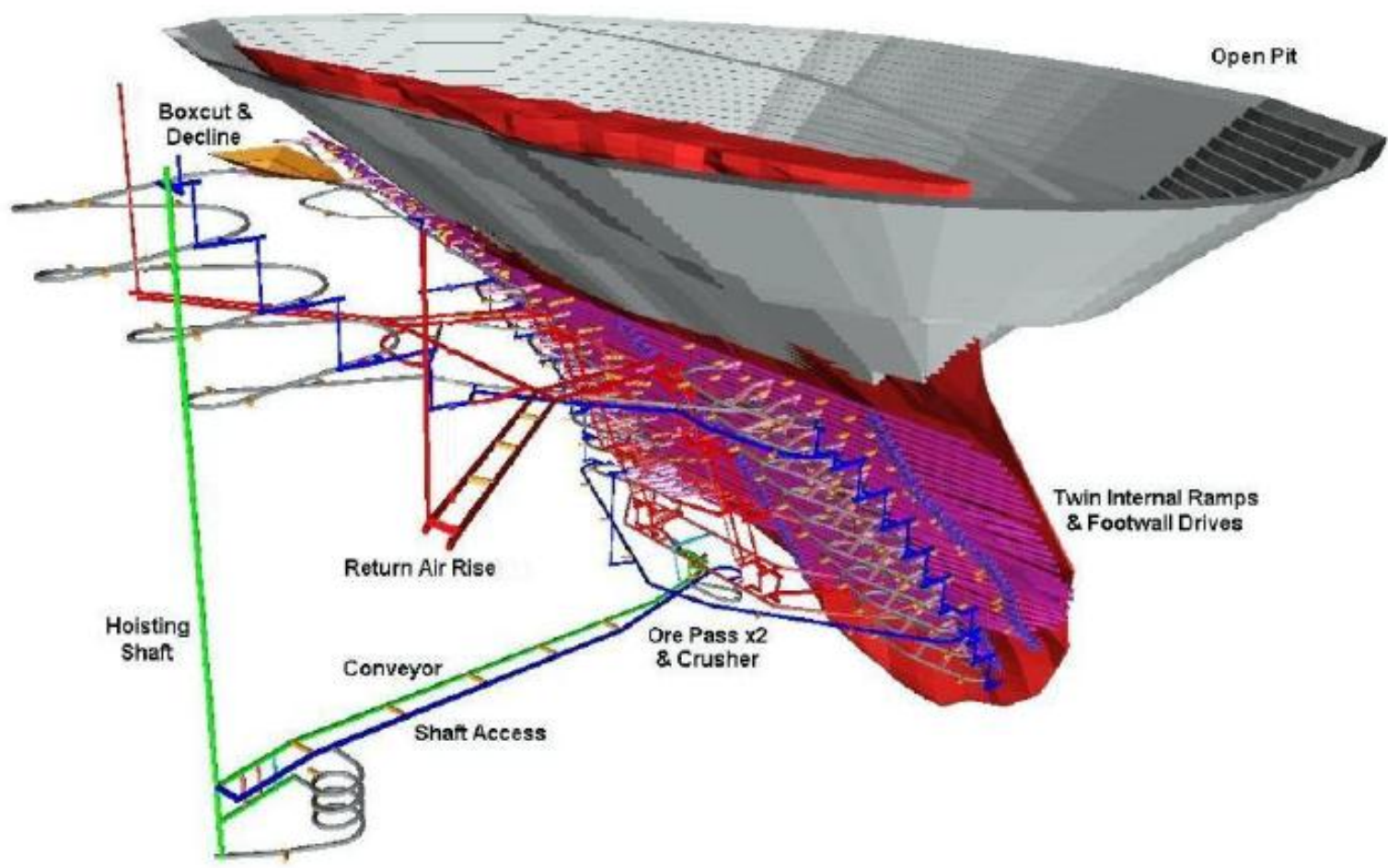
Notes: 1. Includes captive consumption
2. Excluding royalty. Revenues from silver not credited to CoP.

EBITDA (Rs. Crore)



Rampura Agucha Mine – Isometric View

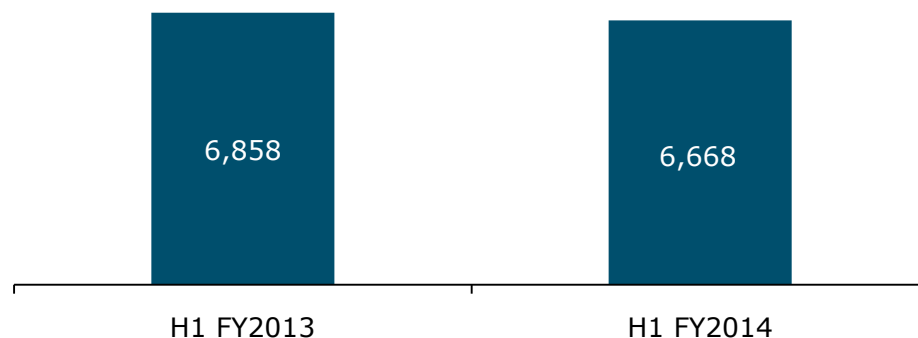
- Total ore production sustained at c.6mtpa from a combination of open cast and underground
 - Commercial production from underground project in FY14



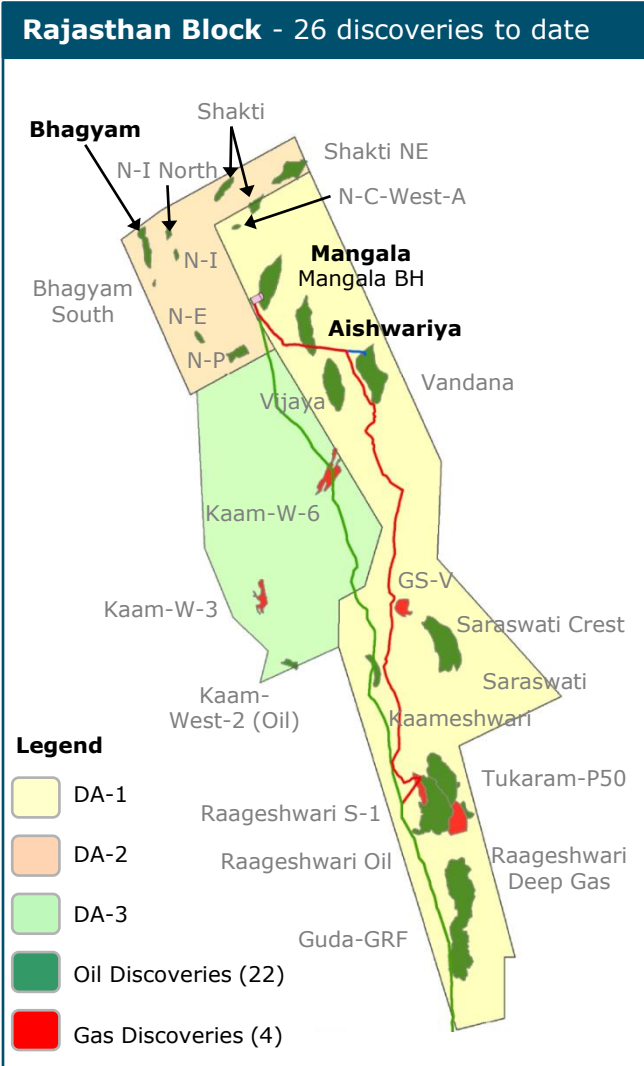
- Cairn India recognized as the fastest growing energy company in the world (Platts Top 250 Global Energy Company Rankings 2013)
- Operational efficiency and cost optimization
 - Low cost operator with field direct opex <US\$3/bbl
 - High facility uptime at 98.4%
 - State-of-the-art technologies for field monetisation
- Partner approval / alignment in Rajasthan Block
 - Approval secured for implementation of the world's largest polymer EOR project in Mangala Field
 - Technical alignment in place for the Field Development Plans of Barmer Hill, NI and NE
 - GoI issued policy on Integrated Block Development
- Active Exploration
 - Rajasthan**
 - 4 of the 6 wells drilled found hydrocarbons
 - Declaration of potential commerciality filed for 26th Discovery
 - Other Blocks**
 - India: E&A progress at KG-ONN Onshore and Ravva
 - Exploration progress in Sri Lanka and South Africa

Oil & Gas	H1 FY2013	H1 FY2014
Average Daily Gross Operated Production (boepd)	207,105	212,873
Rajasthan	169,486	174,503
Ravva	30,591	28,704
Cambay	7,028	9,666
Average Daily Working Interest Production (boepd)	128,335	132,477
Rajasthan	118,641	122,152
Ravva	6,883	6,458
Cambay	2,811	3,866
Average Brent (US\$/boe)	108.9	106.5
Average realizations – oil & gas (US\$/boe)	98.0	94.3

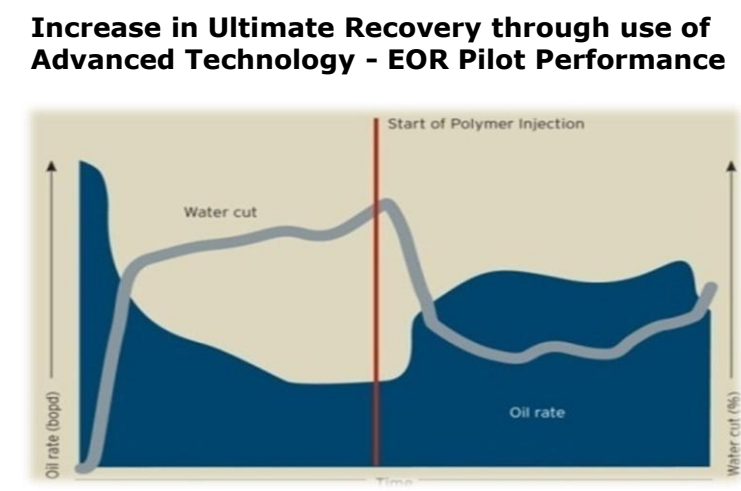
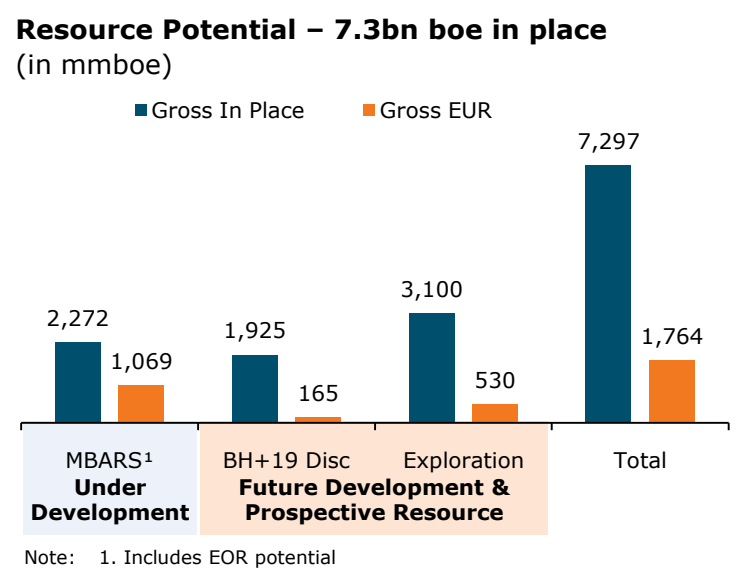
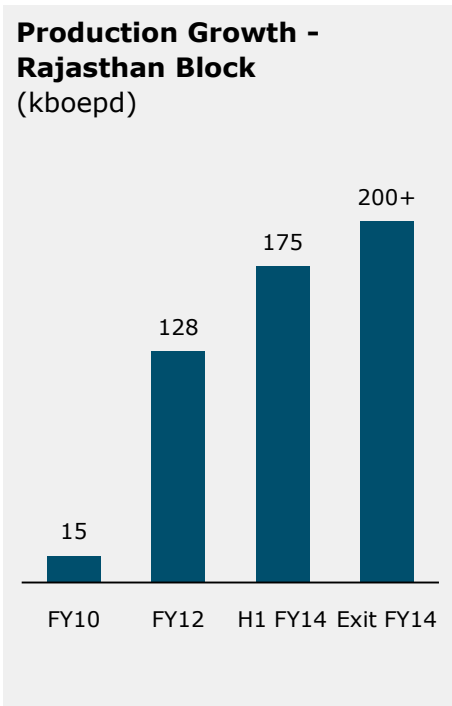
EBITDA (Rs. Crore)



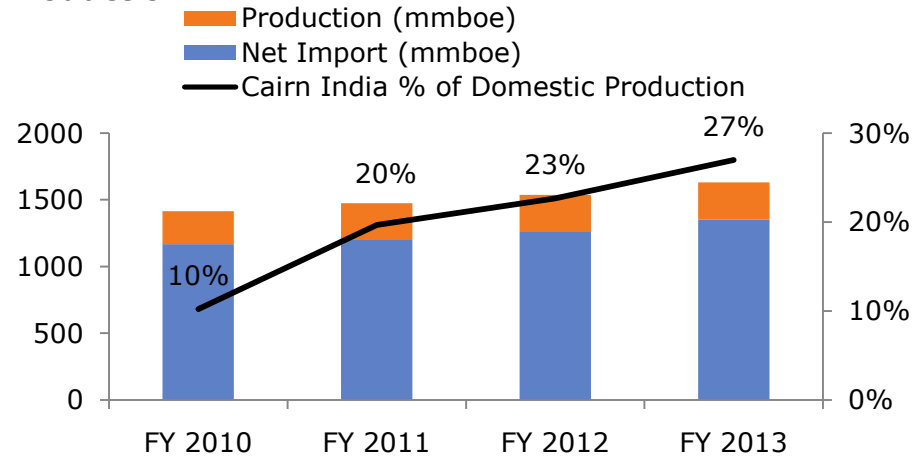
FY2013 and FY2014 numbers are on proforma basis



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



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



Alignment with Government and Rajasthan JV Partner on India's Energy Security

- Increasing share of domestic production to reduce imports
- Policy on Integrated Block Development Plan issued, helps to fast-track hydrocarbon discoveries to production
- Submitted formal application for extension of Rajasthan and Ravva licence terms as per existing PSC
- Contributed c.\$2bn to the exchequer in H1 FY14
 - ☑ Accounted for over 75% of the total Profit Petroleum received by the Government

Notes: PSC: Production Sharing Contract; EOR: Enhanced Oil Recovery

Cairn India Outlook

On track for FY14 exit production target of over 225kboepd

- EOR and Infill wells to sustain production from existing assets and enhance recoveries
- Barmer Hill and other satellite discoveries to fuel growth
- Evaluating options to increase commercial gas

Aggressive Exploration and Appraisal (E&A) Program in RJ

- Plan to drill out half of 530mmbœ prospective resources by FY14
- ~100 E&A wells to be drilled over the next 3 years
- Ramping up the rig count to 13 by end FY2014

Financial flexibility

- To fund ongoing 3 year \$3bn capex program
- To support an optimal mix of organic and inorganic opportunities

India

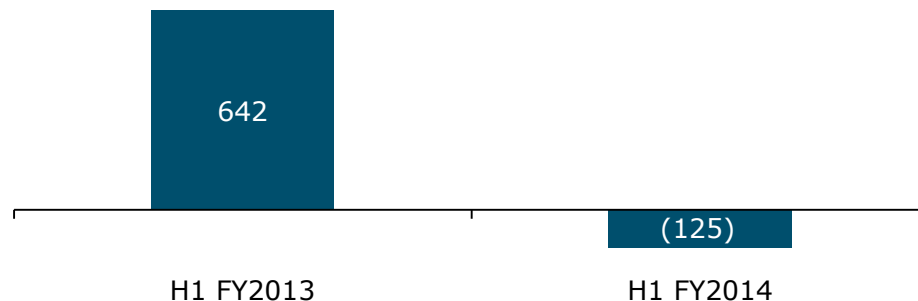
- Karnataka: Supreme Court cleared our mine to resume operations
 - Awaiting final clearance to resume mining
- Goa mining: Supreme Court hearings completed, interim order passed
 - Allowed to sell inventory as prescribed
 - To review and decide by Feb 2014 regarding the state's iron ore output capacity
- Pig Iron production up 97% in H1, driven by new capacities commissioned in Q2 FY2013

Liberia

- Drilling has confirmed 1 bn tonnes deposits with further upside
- Reviewing phased options, including 1st phase of 2mtpa

Iron Ore and Pig Iron	H1 FY2013	H1 FY2014
Sales (mt)	3.1	-
Goa	3.0	-
Karnataka	0.1	-
Production	3.7	-
Average Net Sales Realizations (\$/t)	70	-
Pig iron - Production (kt)	121	238
Met coke - Production (kt)	146	173

EBITDA (Rs. Crore)

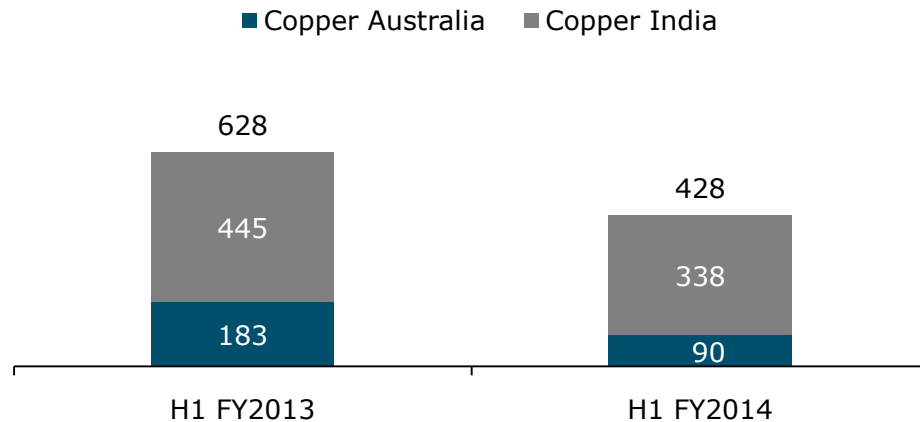


FY2013 numbers are on proforma basis

- Smelter restarted in end June
 - Ramped up to full capacity in Q2
- Stable mining operations at Australia
- Net COP higher due to lower sulphuric acid credits
- Strong outlook for TC/RC
- EBITDA contribution from 80 MW CPP: \$12 mn

Copper-India/Australia	H1 FY2013	H1 FY2014
Mined Metal – Australia (kt)	13	12
Copper Cathodes– India (kt)	175	98
Tuticorin Power Plant (mu)	-	295
Average Copper LME (\$/t)	7,785	7,110
Copper Tc/Rc	11.8	14.6
Conversion cost – India (c/lb)	6.3	13.8

EBITDA (Rs. Crore)



FY2013 numbers are on proforma basis

- Strong operating performance: Jharsuguda-I and BALCO smelters operated above rated capacity
- Sustained 2nd quartile costs, without captive bauxite
 - Q2 costs at \$1,651/t
- Alumina Refinery recommenced operations in July
 - Ramp-up to full capacity in Q3 FY2014
- Premiums of \$355/t
 - c.60% of production converted to value added products
- Pursuing multiple options for allocation of captive bauxite with Odisha Government
- Projects
 - BALCO 325kt smelter - First metal in Q3 FY2014
 - BALCO 1200 MW power plant – Synchronisation in Q4 FY2014
 - BALCO 211mt coal block mining in Q1 FY2015¹
 - Jharsuguda-II 1.25 mt smelter: Evaluating commissioning of one line of 312.5kt

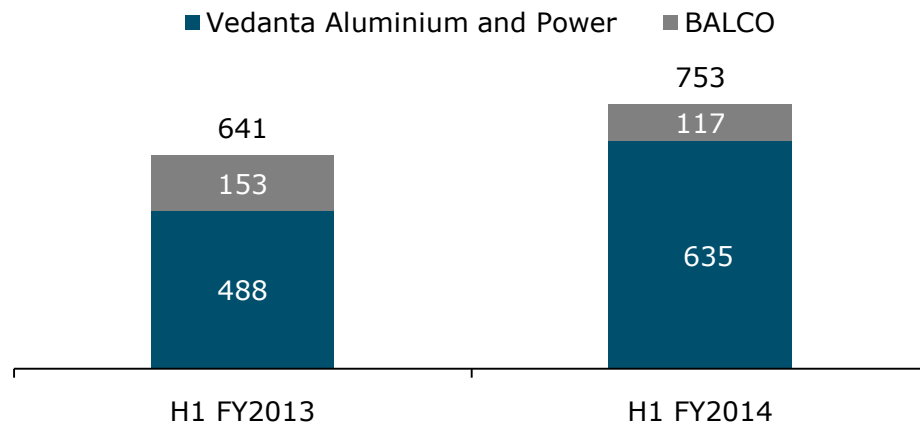
Notes: 1. Subject to approvals

FY2013 numbers are on proforma basis

Aluminium and Alumina

	H1 FY2013	H1 FY2014
Aluminium Production (kt)	382	395
BALCO	123	124
Jharsuguda-I	259	271
Aluminium LME (\$/t)	1,947	1,807
Aluminium COP (\$/t)	1,873	1,702
BALCO	1871	1,844
Jharsuguda-I	1,874	1,637
Alumina Production (kt)	423	116
Alumina COP (\$/t)	340	329

EBITDA (Rs. Crore)

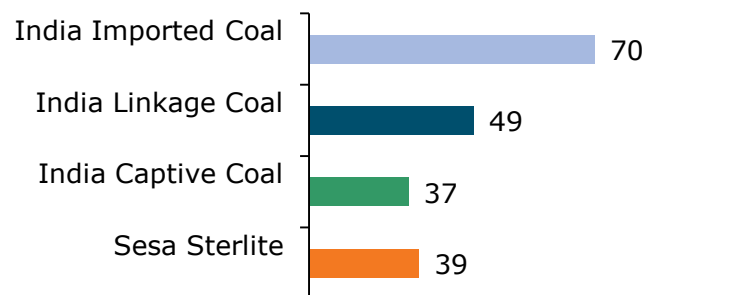


- Jharsuguda 2,400 MW : H1 PLF of 43%
 - Q2 PLF of 31%, primarily on account of lower demand due to good monsoon and weak balance sheets of Discoms, despite power shortage
 - H2 PLF expected at 50% as demand improves
- 1st 660 MW unit of 1,980 MW Talwandi Sabo on track for synchronisation in Q3 FY2014

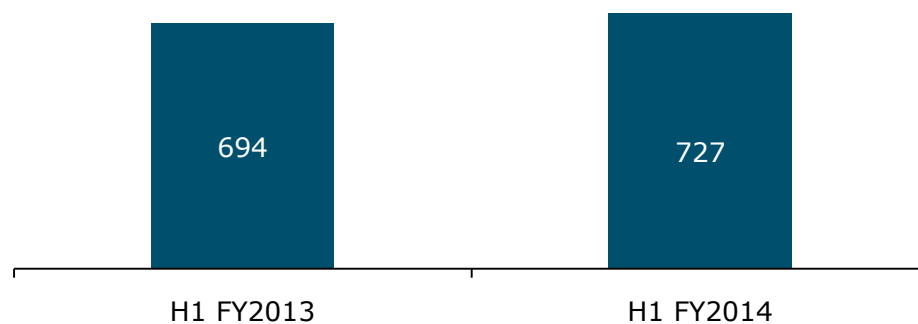
Power	H1 FY2013	H1 FY2014
Total Sales (mu)	5,364	5,087
Jharsuguda 2,400 MW ¹	3,879	4,098
BALCO 270 MW	684	231
MALCO	431	445
HZL WPP	370	313
Realisation (Rs/u)	3.6	3.7
Cost of generation (Rs/u)	2.3	2.3

Notes: 1. Includes trial run generation of 339 million units in H1 FY2013

Comparative Cost of Generation (US\$/MWh)



EBITDA (Rs. Crore)

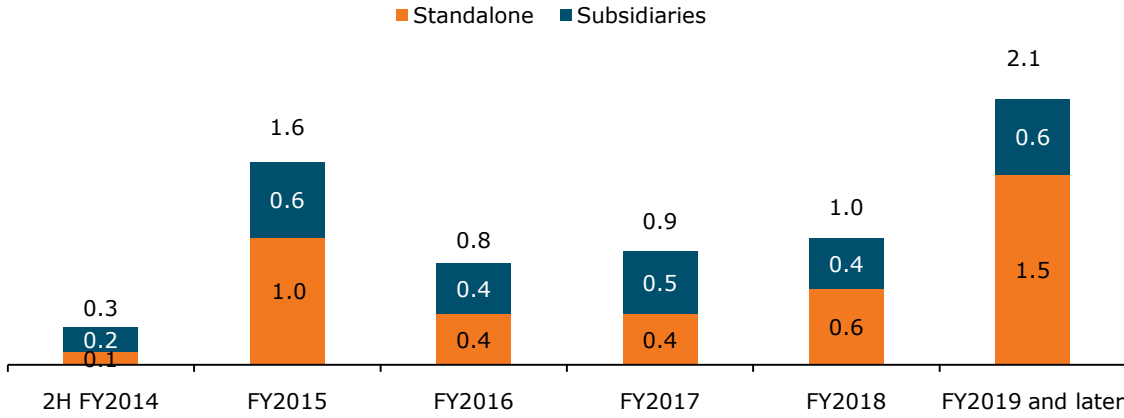


Source: Morgan Stanley analysis, World Energy Council – "World Energy Perspective 2013", Bloomberg New Energy Finance, IIFL Institutional Securities

Notes: Cost of Generation as reported for Vedanta. For peers, this includes fuel cost, O&M, depreciation, interest and return on equity at 15.5% at an exchange rate of INR61.84 as on 6-Nov-13. FY2013 numbers are on proforma basis

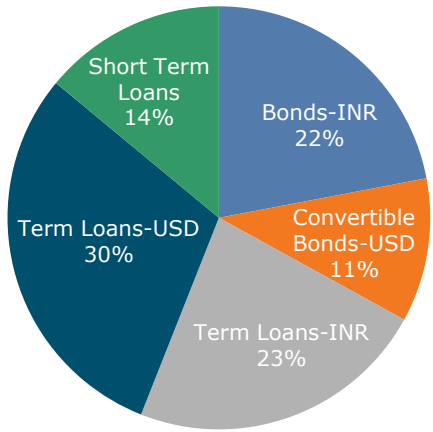
Term Debt Maturity Profile (in \$bn)

(as of 30 September 2013)



Diversified Funding Sources

(as of 30 September 2013)



Total External Term Debt of \$6.7bn

Debt of \$4bn at Standalone and \$2.7bn at Subsidiaries, total consolidated \$6.7bn

Above maturity profile excludes working capital debt of \$2.8bn and inter-company loan from Vedanta Plc of \$3.9bn.

Maturity profile shows external debt at face value.

- Cash and Liquid Investments of \$7.7bn, with additional \$0.9bn undrawn lines of credit
- FY2013 Net Debt/EBITDA of 1.3x; Net Gearing ratio of 26%.

Exchange Rate : INR 62.78 per USD at 30 Sep 2013

Sesa Sterlite Net Debt Summary (\$mn)

Company	31 March 2013 (Proforma)			30 September 2013		
	Debt	Cash & LI	Net Debt	Debt	Cash & LI	Net Debt
Sesa Sterlite Standalone	6,830	494	6,336	6,602	587	6,015
Zinc India	-	3,929	(3,929)	-	3,627	(3,627)
Zinc International	-	197	(197)	-	188	(188)
Cairn India	-	3,093	(3,093)	-	3,217	(3,217)
Balco	790	0	790	799	14	785
Talwandi Sabo	706	1	705	723	2	721
TSMHL (Cairn acquisition SPV) ¹	5,108	10	5,098	5,094	15	5,079
Others ²	114	10	104	172	18	154
Sesa Sterlite Consolidated	13,548	7,734	5,814	13,390	7,668	5,722

Debt numbers at Book Value

Exchange Rate : INR 54.4 per USD as on 31 March 2013; INR 62.78 per USD as on 30 September 2013

Notes:

1. Includes inter-company loan from Vedanta Plc to Sesa Sterlite of \$3.9 bn as on 30 September 2013 for Cairn acquisition. This is net of inter-company loan from Zinc International and CMT to Vedanta Plc.
2. Others includes CMT, VGCB, Fujairah Gold, and Sesa Sterlite investment companies.

Capex in Progress	Completion Time	Capex (US\$mn)	Spent H1 2013-14	Spent up to Sept. 2013	Unspent as at 30.9.13
Cairn India		3,673	223	808	2,866
Total Capex Oil & Gas		3,673	223	808	2,866
Copper Sector					
160 MW CPP at Tuticorin	80MW commissioned, next 80MW awaiting approval	161	6	157	4
Aluminium Sector					
BALCO - Korba 325 ktpa Smelter	1st Metal tapping by Q3 FY 2013-14	772	43	752	20
BALCO - Korba 1200 MW CPP	1st unit synchronisation in Q4 FY 2013-14	1,100	26	912	188
BALCO - 211 mt Coal Block	Mining from Q1 FY 2014-15	150	1	14	136
Jharsuguda 1.25 mtpa smelter	Line wise completion	2,920	4	2,483	437
Power Sector					
Jharsuguda 2400 MW power plant	Completed	1,769	5	1,736	33
Talwandi 1980 MW IPP	1 st unit synchronisation in Q3 FY 2013-14	2,150	155	1,750	400
Zinc Sector					
Zinc India (Mines Expansion)	Phasewise Completion	1,500	90	282	1,218
Total Capex in Progress		10,522	329	8,086	2,436

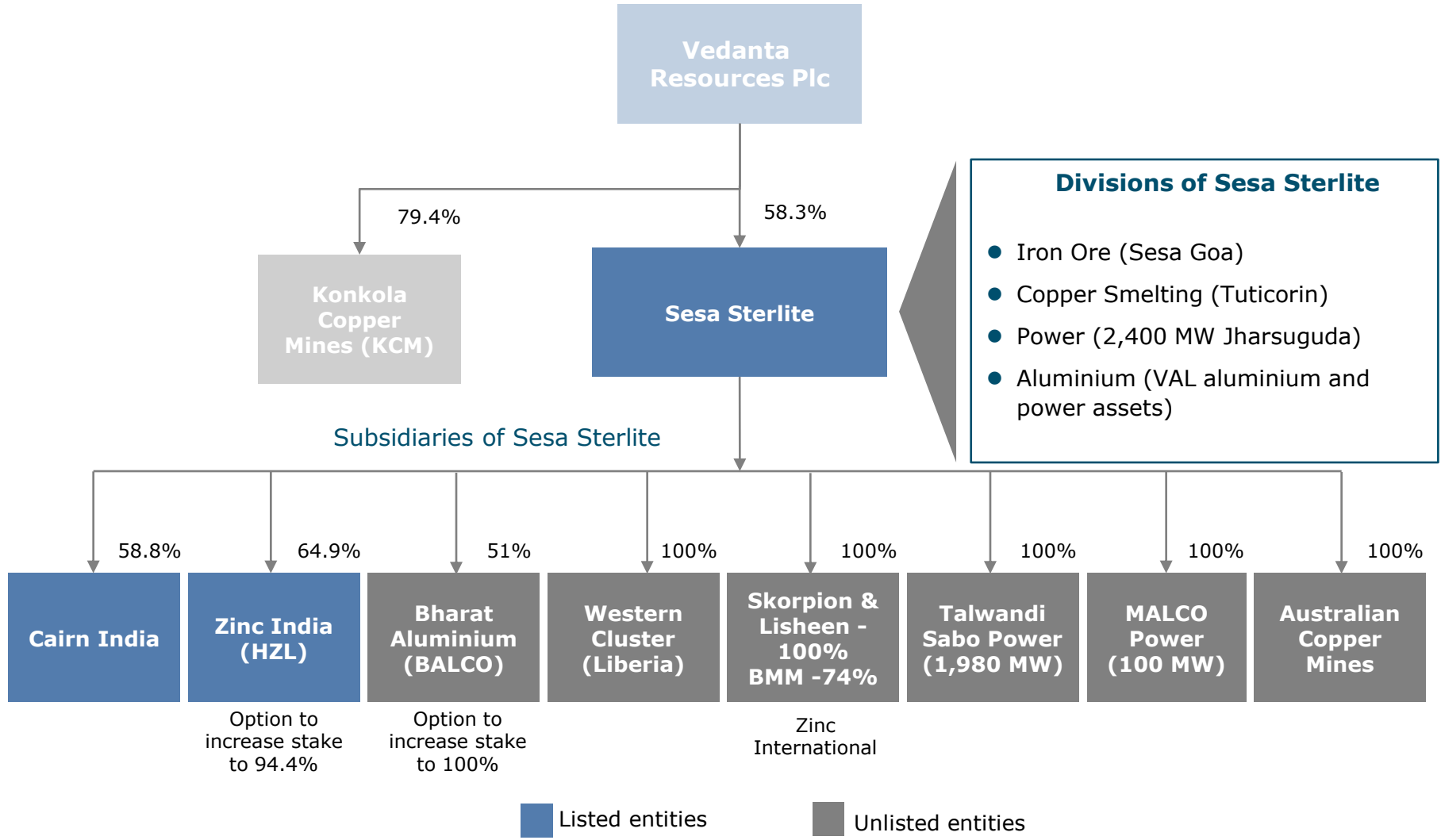
Above capex numbers are as per IFRS accounting

Improvement and Enabling Capex	Completion Time	Capex (US\$m)	Spent H1 2013-14	Spent up to Sept. 2013	Unspent as at 30.9.13
Zinc India		240	24	184	56
ZI - Gamsberg		24	9	17	7
Western Cluster- Liberia		97	21	87	10
Total Improvement and Enabling Capex		361	54	289	72

Capex in Optionality	Completion Time	Capex (US\$m)	Spent H1 2013-14	Spent up to Sept. 2013	Unspent as at 30.9.13
Copper Sector					
Tuticorin Smelter 400 ktpa	EC awaited	367	5	128	239
Aluminium Sector					
Lanjigarh Debottlenecking 1.0 mtpa	Approval pending, on hold	150	-	77	73
Lanjigarh Refinery (Phase II) 3.0 mtpa	Approval pending	1,570	-	808	762
Iron Ore					
Sesa Iron Ore mine Expansion (36 mtpa)	On hold	500	-	155	345
Total Capex with Optionality		2,587	5	1,168	1,419

Total Capex (Excluding Cairn)	13,470	388	9,543	3,927
Total Capex (Including Cairn)	17,144	611	10,351	6,793

Above capex numbers are as per IFRS accounting



Note: Shareholding based on basic shares outstanding as on 30 September 2013