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UNIDENTIFIED **COMPANY** REPRESENTATIVE: ...full-year results for FY 2014, and these results also mark our 10-year anniversary since our listing in London on the LSE.

We have with us today our management team, Mr. Anil Agarwal, our Chairman; Mr. Tom Albanese, CEO; and Mr. D.D. Jalan, CFO.

On the line we also have a number of our **business** leaders. I'll just introduce them. We have Mr. S.K. Roongta who heads our aluminum and power **business**; Mr. Sudhir Mathur, CFO of Cairn India. From Africa, we have Mr. Kishore Kumar, CEO of our Africa base metals **business**; Mr. Steven Din who was appointed CEO of KCM just recently, as you know; and Mr. David Ng'andu, Executive Director of Nchanga. And finally, from our **iron ore business**, we have Mr. S.L. Bajaj, Finance Director; and Mr. A.N. Joshi, VP of Corporate Affairs.

So I will now hand it over to our Chairman, Mr. Anil Agarwal. Mr. Agarwal?

ANIL AGARWAL, EXECUTIVE CHAIRMAN, VEDANTA RESOURCES PLC: Good morning, ladies and gentlemen. Thank you for joining us. We listed in London 10 years ago and created UK-listed vehicle to invest in Indian natural resource sector.

We started with the base metals and successfully built a diversified portfolio of world class assets that includes Rampura Agucha, the world's largest zinc mine; and the Rajasthan **oil** block, one of India's largest **oil** fields.

We have grown production 10 times since the IPO. We have selected -- we are selective in how many we acquired through platforms for growth and then used the strong project management skills to develop them. We invested in the **operations** and the management team to realize the full potential, and we took every **company** that we acquired to newer heights.

Moving on the next slide, our achievements would not have been possible without the support of all our stakeholders, employees, communities, government, and importantly, debt and public **equity** holders. We have delivered for all our stakeholders over the last 10 years.

In terms of total shareholder return, every GBP1 invested at IPO has become GBP3. That is a 12% compounded return per year, much higher than the sector and the market. We have returned over $1.4 **billion** to investors in form of dividends and share buybacks.

Vedanta has maintained a progressive dividend since IPO, increasing the dividend in nine years out of 10. We have an attractive dividend yield, and I have been buying shares, as I believe that the stock offers significant value today.

As a **company**, we are working to reduce debt and efficiently allocate capital. Our focus remains to create long-term value for all our shareholders. We are [reliant] contributors to the economies and communities where we operate. We are one of the largest taxpayers and employers in India and Zambia. Over 4 **million** people in local communities near our **operations** benefit through a variety of programs such as midday meals, health clinics, and a clean water supply to the towns.

I believe that over the last 10 years, we have built a strong foundation which will help us to take Vedanta to the next level. We have funded our growth by raising more than $25 billion over the past 10 years from the capital market, bank, and I highly value this partnership. I continue to believe that the capital market will be critical for our future.

Vedanta is an excellent UK-listed vehicle for investors, and perhaps the best equity exposure to India to directly benefit from the strong growth in India.

As you know, Tom Albanese has been with the Group more than half a year and taken over as the CEO recently. I'm pleased to be working closely with Tom to take the Company ahead. I invite Tom to take you through the rest of the presentation.

Thanks.

TOM ALBANESE, CEO, VEDANTA RESOURCES PLC: Thank you, Anil; and good morning, ladies and gentlemen. It's been a very busy eight months for me at Vedanta and I've been visiting all the assets. I did share my first impressions about the Group on the Vedanta production release just about a month ago, and I'd like reiterate what I've seen so far.

As I've looked around and met with the individuals, I've seen a dynamic organization of talented, hardworking teams of people, eager to learn and embrace new ideas, and better and improve themselves. I've seen strong technical expertise in the Group and a strong focus on exploration to add more resources versus what we mine each and every year. And this is also evident by the fact that Vedanta is one of the largest employers of engineers and geologists in India.

In terms of workplace safety, while we have seen some improvement over the years, I'm not happy with the high level of fatalities, and I'm putting a lot of emphasis with the entire management team on turning this around. I'm very much focused on taking Vedanta's workplace safety to the next level, and again, moving towards that culture of zero harm, which is certainly on par with our global diversified peers.

Coming to community development and CSR, I've actually been surprised by the quality of care on the ground, including at Lanjigarh, compared to some of the things I've seen on the Internet. And I think the reality is much, much better than how it's been widely perceived.

Vedanta has been one of the largest contributors to the governments in the countries where we operate, with over $15 billion contributed over the last three years in the form of taxes, duties and royalties to government. We're also one of the largest taxpayers in Zambia and the second largest taxpayer in Zambia.

Moving on to the next slide, India. This has been a pretty exciting time for me. We had the elections right in the midst, and I'm watching, and first-hand impression, of the largest democracy in the world with over 1 billion people voting, and the huge market that's with that. So I'd like to first talk about the demand side.

Per-capita consumption of commodities in India is far lower than the world average, and it's actually about one-tenth that of China. India's consumption is expected to rise due to favorable demographics. India's population has a rising share of the labor force. Even as the world and China have increasing dependency ratios and age, India is getting younger. Besides, India will be the most populous country in the world by 2025. Urbanization levels in India alone are expected to increase consistently and significantly.

Infrastructure is about [electoral] growth, and there have been several policy changes to increase spending on infrastructure, and I think these will drive commodity demand both directly and indirectly. Supply-chain constraints are another driver for strong demand growth. And I'll give you some examples.

The power there, blackouts and scheduled power cuts, even as generation capacity remains under-utilized, and there's 25,000 megawatts of under-utilized generating capacity that's just waiting for someone to allow it to be just turned on. In the meantime, India's been installing transition lines and integrating power transmission grids to alleviate this.

On crude oil, India imports more than 75% of its crude requirements, requiring subsidies to state-owned refiners to maintain lower retail prices. And metals; earlier, India had a higher dependence on imports for commodities such as zinc, lead, copper, silver, etc. And on the policy side, there's an increasing awareness across the country about the need for regulatory policies to encourage industry and economic growth.

Personally, I've seen this awareness quite evident as I am experiencing my first Indian election cycle; and I'm seeing the dialog mainly driven around jobs, improvement, recovery of manufacturing capacity and jobs.

Moving on to supply, India has a shared geology roughly with Australia and Africa, but in my experience as I explore, I do believe it's significantly under-explored. India is among the top five countries to eight countries across the world in terms of reserves of iron ore, of bauxite, of zinc and of coal, but I think there's significant potential going forward.

We do have at Vedanta a strong position in India across all of these commodities and we are the largest primary producer of zinc, of lead, of silver, of copper and aluminum; and we are the largest private producer of crude oil in India. We are the largest diversified natural resource company in India.

Overall, India's a good market with strong demand for those products that we produce. I know from many years of operating and the challenges in India that what I've seen and how I've seen Vedanta succeed in developing what it's developed over the past 10 years, I think these accomplishments have been phenomenal.

So moving on to the next slide. Having taken over as CEO from April 1, my priorities are to drive operational excellence and improve business performance across the different assets, and to focus on enhancing the Vedanta brand, which includes several aspects including safety, CSR, communications, etc.

Operationally, my focuses are to secure feedstock at our alumina refinery and bring the remaining aluminum stoping capacity to production; number 2, restarting iron-ore operations in Goa; and number 3, improving the performance of our copper operations in Zambia.

In addition, in terms of building strength on strength, I'm focusing on managing the transition of our open pits to underground mining at Zinc India, and taking our mined metal capacity at Zinc India to 1.2 million tonnes of zinc and lead.

And of course, coming to oil and gas, I'm focusing on maximizing exploration and optimizing the production ramp up at the Rajasthan oil and gas fields, one of the best onshore, low-cost assets globally, with still significant exploration potential.

So moving on to the next slide, here are the highlights of the fiscal year 2014 results. Operationally, we've had a strong year of momentum in the right direction. We've delivered record oil and gas production at the Rajasthan fields, crossing the 200,000 barrel per day mark, and delivering over 200 million barrels since starting production less than five years ago.

We've delivered record production of mined and integrated metal at Zinc India, and our aluminum smelters continue to deliver strong operating performance; and we've started the commissioning of new pots. We maintain our focus on cost control and efficiency improvements across the business, and with the iron-ore mining ban in Goa lifted by the Supreme Court, albeit conditions.

Financially, and D.D. will talk more about this, we've maintained EBITDA margins of 45% despite lower commodity prices, while delivering $1.3 billion of free cash flows across growth CapEx while reducing our net debt by $700 million.

However, our EBITDA, the underlying profit ex tax and earnings per share were lower, partly due to several one-off items, which again, I'm happy for D.D. to review in detail.

And of course, as Anil mentioned, we did complete the Sesa Sterlite merger and Group consolidation during the year.

So with that, I'll invite D.D. to take you through the financial results.

D.D. JALAN, CFO, VEDANTA RESOURCES PLC: Thanks, Tom; and good morning, ladies and gentlemen. I'm pleased to announce another strong set of results for the full year March 2014. We've continued to maintain a strong EBITDA margin of 45% despite weaker commodity prices through focus on operational efficiencies and cost control. However, EBITDA was lower by 9% primarily due to lower commodity prices and higher payment of profit petroleum to Government of India at [gain].

We generated strong cash flows post growth CapEx, 10% higher than last year. And we reduced net debt by approximately $700 million over the year and lower gearing to 30.6%, despite the depreciating rupee. Without impact of rupee depreciation, the gearing would have been 29.2%.

Our underlying EPS was lower at $0.34. This was mainly due to lower EBITDA, adverse profit mix, higher interest expenses, and few one-offs. We are declaring final dividend of $0.39 per share in line with our progressive dividend policy. The yearly increase in dividend is over 5%.

Coming to the EBITDA bridge, as you can see, the key reasons for decline in EBITDA were largely external. The decline in commodity prices net of metal premium impacted EBITDA by $508 million. Mainly aluminum prices declined by 10%, impacting $141 million; Brent crude prices declined by 3%, impacting $177 million; and silver prices declined by 30%, impacting $99 million. However, the weaker commodity prices were partly offset by favorable higher metal premiums with $55 million.

During the year, we saw an increase of the profit petroleum levy to Government of India at gain from 20% to 30%, resulting in a $258 million reduction in EBITDA.

The continued ban on iron ore mining and temporary closure of Tuticorin smelter and Australian mine impacted EBITDA by $188 million. And impact of lower commodity prices was partly offset by $170 million with the weaker INR.

Increased volume drives positive contribution of $370 million, primarily from higher volume at Cairn India, zinc India and aluminum businesses.

Despite the industry-wide cost ratios witnessed during the year, our focused approach to control costs has enabled us to maintain our competitive cost positioning in most of the businesses. This is evident by a net positive contribution of $76 million from cash [part of value chain].

This is a bit busy slide, but on this slide, I wanted to give you some insight on the financials. As a result of the Sesa Sterlite merger, we have realized a synergy benefit of over $200 million in FY 2014. And as you will see, the Group restructure simplification exercise has also created a platform that will deliver financial and operational synergies on a sustainable basis. We see scope for further benefits, particularly in procurement, marketing, operational and financial functions.

The rupee has depreciated roughly 11% against the dollar during the year, and rupee depreciation has impacted on the P&L account at three places.

As I previously mentioned, favorable impact on the EBITDA by $170 million, and $364 million of mark-to-market impact on our dollar-denominated debt at the Indian subsidiaries.

Interest expense has increased by $147 million primarily due to the [cessation] of interest capitalization at Jharsuguda smelter II from April 2013, and a one-time impact on account of amortization of certain borrowing costs due to prepayment of Cairn Indiaacquisition loan.

We continue to optimize our funding costs. We achieved an overall saving of [$16 million] as a result of refinancing.

The tax rate has gone up during the year from 2.7% to 11.5%, largely on account of credit of $292 million in Cairn due to reorganization in previous year.

The impact of tax reversal of $257 million during the year on account of the Sesa Sterlite merger is largely offset by the creating a deferred tax liability on fair valuation at Cairn on account of increase in surcharge by 5% and certain one-off provisions. We expect the tax rate to be in the range of 20% to 25% during FY 2015.

While the headline tax rate is low, Vedanta remains a key contributor to the Exchequer, with a contribution of over $5.3 billion, most of which is in the -- is to the Indian Government.

Depreciation and amortization, they are almost flat during FY 2014. However, going forward, we expect an increase with commencement of iron ore production.

The high minority interests of 120% during FY 2014 was due to lower profit in subsidiaries where our holding is high, for the reasons mentioned above, and higher profit in companies like Hindustan Zinc and Cairn where our holding is low. With the improved performance of copper India, aluminum and iron ore, minority interest is a likely to be lower during FY 2015.

On this slide, we show our historical and expected CapEx profile. Our CapEx has decreased meaningfully from last year as no major CapEx program other than Zinc India expansion and the Rajasthan oil and gas have been announced.

We continue to actively manage our future CapEx plan and we expect to increase our cash flow following the completion of a number of our growth projects and the corresponding production increases.

We expect the lifting of the mining ban in Karnataka and Goa to have a positive impact on our cash flows. Over the next three years, we expect 80% of our growth CapEx to be on oil and gas and zinc assets in India. The remaining 20% will be spent on other [necessary] assets like aluminum and power over a period of time.

Over 80% of $3 billion oil and gas CapEx will be spent on high-margin Rajasthan block. The CapEx plan, however, doesn't include some expansions where we are waiting for regulatory clearance and are subject to internal review, like Gamsberg projects, which are under feasibility.

As you see on the slide, we have a strong and liquid balance sheet, and we expect this to further be strengthened as we improve cash generation from our world class portfolio of assets.

We reduced net debt by $700 million during FY 2014. We ended the year with cash and investments of $9 billion, with a further undrawn credit facility of $1.5 billion, of which $590 million is at Plc.

There is a debt of $3.9 billion which is maturing in FY 2015. Of this, $1.25 billion is to a provincial put that is going to be exercised in -- early [this part] of the year. We have in place financing for this $1.25 billion in place in the eventuality it gets -- the put gets exercised. Of $1.25 billion, $1 billion is by way of bank loan, and $250 million is by way of the implement of an inter-company loan.

The balance, $2.4 billion, is at subsidiaries. Out of $2.4 billion, about $700 million comprises convertible bonds at Sesa Sterlite which are due in October. And this will be paid partly from internal generation and partly from refinancing.

About $200 million is due at KCM in July which has been totally tied up and which is getting refinanced by way of bank loan, and we are in the final stage of signing the document. The balance, $1.5 billion, is largely in the aluminum and power business where we have taken a short-term loan, and this is going to get replaced by long-term debt financing.

We have refinanced $3.5 billion debt during the year, and now we have a balanced maturity profile. The average life of our debt continues to increase as we refinance maturing debt.

We have access to various debt capital, including bank loans, bonds and convertibles, and we are confident that we'll be able to draw upon the right source of funds as and when required in the future.

Our capital allocation is underpinned by our world class asset portfolio and operational excellence that delivers a strong, stable and sustainable cash flows. Most of the investments in growth projects on our assets is nearing completion, and should begin to generate additional cash flows.

Already for last two years, our free cash flow generation has exceeded growth CapEx by over $3 billion. We are working to improve asset utilization and ramp up volumes to generate higher cash flows which will drive a four-prong approach to, number 1, progressive dividend; number 2, simplification and consolidation of the Group; number 3, [by issue] higher returns, growth opportunities within a distinct business; and number 4, deleveraging balance sheet.

The return of capital to shareholders is also a strong focus. We have maintained a progressive dividend since IPO, including a payout in eight out of nine years, and maintaining it for one year during the global financial crisis.

We remain committed to a progressive dividend policy, and as discussed, we are managing the business to ensure the platform to deliver future dividend growth. We have returned $1.4 billion through dividends and buybacks since our IPO, where we have raised $850 million.

In terms of balance sheet management, our focus remains on using our strong free cash flow generation to drive deleveraging. This is consistent with our stated strategy.

We have reduced net debt by $2.1 billion during last two financial years, and have cash and cash equivalent of $9 billion and an additional $1.5 billion of undrawn credit facilities.

Effect on gearing due to minority buyouts will be offset by better cash fungibility, improving our ability to decrease debt further.

Regarding enhancing our asset portfolio in a constrained capital environment, capital is being allocated for a variety of projects to support opportunities in the existing business with the focus on achieving the highest return projects. And we have rigorous hurdle rate analysis to test suitability.

While we may consider any compelling acquisition opportunities, we are focused on generating a strong return from our existing portfolios and using those cash flows to deleverage.

Wrapping up; our businesses performed well during FY14, and we expect to see improved performance following the ramp up of capacities during next couple of years.

With that, let me hand back to Tom. Thank you.

TOM ALBANESE: Thank you D.D. I'll now talk about business performance.

Sustainability is core to Vedanta, and I'm focused on taking the performance to the next level, again on par with our global peers. While our lost time frequency rate has been reduced considerably over the last six years, we've had 19 fatalities in fiscal year 2014, including two so far during this calendar year.

We've put in place several programs to mitigate risks, and I'm spending a lot of my own personal time personally reviewing fatalities and meeting with the executive teams and meeting with the people on the ground, and our target is zero harm.

We have made significant investments across the board to address our environmental footprint, and in 2014 this amount was $60 million.

On communities, as the Chairman said, 4.1 million people are benefiting through a variety of initiatives around the Group. Our CSR programs in India and Zambia are some of the largest programs in each of the respective countries. For example, more 32,000 people benefited from health camps held in different [villages]. And Tuticorin smelter, 6,000 girls received education aid. In Western India, 70,000 people benefited from our solar street lights along our oil and gas pipeline.

Unfortunately, mainly due to the controversial Niyamgiri bauxite project in Odisha, I think these good deeds have been overshadowed, and I'll talk a bit about this later, as we are taking some active steps to address this. I believe we have a good story to tell.

So we've been conducting also a gap analysis towards becoming a signatory to the UN Charter on Human Rights, and we're well on our way towards that.

Overall, Vedanta is one of the largest contributors to the Government in India, and as I said before, the second largest taxpayer in Zambia.

And moving on to the next slide, just to give you an example of what we've been doing with our footprint, and this is a very good case study of how we've transferred -- transformed the mine water discharge at Konkola.

As you know, the Konkola mine is one of the wettest mines in the world, perhaps the wettest. The water is from underground aquifers, and about 300,000 cubic meters of water is pumped from the mine daily and released to the Kafue River.

In the past, water quality was a major issue, and since Vedanta's acquisition of KCM, we have assessed the situation, we have spent the money and taken significant concerted action to significantly reduce the total suspended solids in the water, and we've sustained these quality levels.

Appreciate, this is a lot of water and it's feeding into one of the major river systems in Zambia. More than 500,000 stakeholders live off this water in Zambia. The Kafue River water is a source of water for drinking by the population and all the downs stretching along its boundaries, and supports the irrigation for farming, fishing and other public uses. This water also helps Zambia's hydropower generation located along the Zambezi River to maintain production during the dry season.

So again, this is a very important story to tell in terms of how, we Vedanta, have improved the lives and lives of stakeholders in Zambia.

Moving on to the turnaround in the copper business in Zambia. I've been to Zambia, as I said, several times over the past eight months. Just this Monday, we appointed a new CEO of KCM, Steven Din, with nearly two decades of experience in African resource development.

And we're closely working with Steven -- he's worked for me in the past -- as we work to improve the business performance.

Reviewing the 2014 performance, production has been lower. The COP F&D mine remains closed, and Konkola shafts were affected by unplanned stoppages. While production has resumed, it will take us about one to two quarters to get back to normal levels.

Smelter recoveries have been at record levels, and the Tailings Leach Plant has delivered record recovery and the second largest output over the decade at 15 million tonnes of ore, resulting in 56,000 tonnes of finished copper.

We do expect the near term to be challenging, with marginally higher integrated production in fiscal year 2015, and modest growth of 5% to 6% in fiscal 2016 holding our costs stable.

As we complete this conversion to trackless mining, we'll certainly have the shaft, the hoisting and the infrastructure capacity for considerably higher levels of production, which we intend to realize over the next few years with the better performance, and again some ongoing capital allocation.

We continue to have lower levels of productivity as compared to our peers in the Zambian copper belt, and volume ramp up is a key driver to improve the profitability of this business. The Konkola mine has had a significant exploration upside, and it has the potential to deliver the attractive returns, which is why we're putting this effort in. Our major CapEx has already been spent on sinking the shaft number 4 at Konkola, and the new smelter and other infrastructure. So the current focus is underground mining development.

We've put some new people into the underground mining team, and again, I'm giving them my personal support. So far, we've done some good foundation work, and some things are very simple and straightforward. I do think it's worth making the investments so that over the next few quarters we can be ramping back to where we should be producing.

We'll be working on delivering these higher operational efficiencies, and again, this includes basic equipment improvements, and the working conditions and effectiveness of the underground mining teams.

Over the past few months, Vedanta has supported KCM financially to the tune of about $100 million, and as we continue to see significant value in the long-term high grade resource; and as we do, what we need to do in terms of approving the overall capacity to reduce the overall cost levels.

We have a long mind life ahead of us. We've been around for 70 years and want to be around for another 70 years. And I'm committed to see KCM through these near-term challenges.

Commercially, all copper producers of Zambia are facing challenges with the withholding of back credit to the government, and the recently announced increase in power tariffs.

(technical difficulty)

TOM ALBANESE: ...constructively for the long-term.

Moving on to aluminum. Our smelters continue to operate very efficiently at high utilization, and we've maintained our second quartile cost, even with third-party bauxite alumina.

While LME prices have remained low, we've witnessed strong fiscal premiums of about $300 per tonne, and we have converted about 58% of our metal production into more valuable value-added products. On average, for every tonne we've produced, we've generated about $363 dollars of EBITDA.

Our key priorities for this business are to work on captive feed for the refinery, and start up the remaining smelter capacity. To this extent, at BALCO's Korba-III 325,000 tonne smelter, we've commissioned the [tap house] and tapped first metal using power from the existing 810 megawatts, which can support up to 84 pots, or approximately 80,000 tonnes per year of aluminum. And as of April 30, we started up [48] of those pots.

After this first 84 pots, we can start further pots once the 1,200 megawatt power plant is commissioned, and we expect to receive regulatory approval for this over the next few weeks, next few months. The entire capacity of 325,000 megawatts, we've got 300,000 tonnes will ramp up in a year's time from there.

Regarding our refinery feed, we are producing and pursuing options with the Odisha Government. We have operating smelters, refineries and power plants in the state, and the state has vast untapped bauxite deposits, which we could process and add value to while creating jobs, economic development, and a contributor to the Exchequer in the process. We are actively looking for mines in the region. We'll focus on developing these in a manner consistent with global norms and expectations.

As we announced last week, we will not develop the Niyamgiri deposit without the consent of the local community. We continue to be actively engaged with the government for a win-win solution for creating a sustainable solution [which adds] a social economic development to the state of Odisha, and for India overall.

Moving on to iron ore. At Karnataka, we started mining at the end of December 2013 with a reduced provisional capacity of 2.29 million tonnes per year. Sales have been happening through e-auctions organized by the government, but only 27,000 tonnes were sold during the year, while sales were picking up during the quarter.

The temporary working commission for Karnataka's mine is valid until this August, and we're working now to get it extended.

Regarding mining in Goa, the Supreme Court lifted the iron ore mining ban in Goa on April 21, with conditions though, but we do believe it's a positive step in the right direction.

However, an interim cap on fresh production is held 20 million tonnes until the expert committee submits its report. And the Supreme Court has asked the state government to renew the mining leases in the state, according to [MMVR] and state mineral policies.

By the way, we have paid stamp duty for most of these leaches, and will continue to work closely with the state government and the MoEF for getting clarifications and permissions for immediate resumption of mining operations.

Realistically, with the cap, additional levies, and lower global iron ore prices, we do see softer margins going forward. We need to work with the state and the central government of India to ensure the industry remains competitive with the global market, given the new seaborne supply coming on stream from other countries.

And as I look forward, and with my experience, I see iron ore opportunities in Goa, Karnataka, and also elsewhere within India, and I personally think the geologic prospectivity is quite strong.

From my own discussions with geologists, I've seen a lot of similarities with what I've seen in the past in the Pilbara. If you look at past mining tariffs, infrastructure requirements, and all the other challenges in the way, if we can solve these problems, I think over the long term, the next five/10-plus years, the iron ore industry in India can be considerably larger.

I think India, we're transitioning from open pit to underground mining with the Rampura Agucha mine, which is a very high quality, probably the highest quality zinc mine in the world. As it's typical for any open pit that's near the end of its mine life, it goes into low and high grade cycles, and we expect that it will go into a higher-grade cycle by the end of fiscal year 2015.

I think we've made some good progress this year, with consistent increases in monthly underground mine development rates, and we're now achieving a rate about 1 kilometer per month. The underground mine is expected to produce about 1 million tonnes of ore in fiscal year 2015.

We're also evaluating optimizing the Agucha open pit to ensure consistent output from the mine, and I think we'll be in a position in a few months, to give you more detail regarding this.

So this year's performance was good. We had a record mined metal and integrated metals production through the year, and we continued to maintain our lowest quartile mining position.

If we treat silver and lead as byproducts of zinc, which is normally and consistent with the industry, our costs of producing refined zinc would have been $425 per tonne, a good margin indeed.

We developed more than 100% reserve replacement this year, and our mine life continues to be over 25 years.

So looking ahead, in fiscal year 2015, we expect to deliver marginally higher production of mined and integrated metal, including silver. Overall, at SK Mine, as we go deeper, we also expect higher grades of silver as we go forward.

Coming now to the oil and gas business at Cairn India, it was an exciting year for oil and gas, as we've had a lot of activity, development exploration, and EOR projects. We delivered record growth operating production which was up 6% on a year-on-year basis, and overall, we maintained a strong focus on efficient exploration and production.

We rapidly drilled 129 wells in Rajasthan during the year, and our operating costs remain in the lowest quartile at $3.90 per barrel this year. Refining costs are low at $2 per barrel.

We delivered 100% 2P reserve replacement this year. We have plans in place to redevelop Raag Deep Gas, [Bhagyam], polymer/EOR, and developing better performance at Aishwarya.

We achieved 50% exploration success, establishing six new discoveries, opening up five new play types, and adding over 1 billion barrels in place to our discovered resources of 4.2 billion barrels.

Since we restarted exploration in Rajasthan last year, we've drilled 17 exploration wells, and over 80% of these have shown hydrocarbons. The Rajasthan block is very prolific and has excellent potential. We are acquiring new 3D seismic data as we speak and have already completed 14% of it.

And I think that regulatory developments have been in the right direction this year. We have had the government permitting an integrated block development plan approach, and we're now able to reduce the discovery to delivery cycle time and accelerate the [modulation] of new discoveries. And we've seen this happening over the course of the past few months.

The Raag S-1 well was our first discovery after we restarted exploration, and the 26th discovery in Rajasthan in total. We announced this discovery in the first quarter of fiscal year 2014, and this field is already under test production as we speak. This speedy development would not have been possible without the integrated block development framework.

Moving on to some of our more mature assets, Ravva operations continues to perform well. We've delivered a recovery rate of 40% for the reservoir. At the Ravva high pressure, high temperature prospect, exploration drilling continues, and we've drilled about 3,400 meters out of a total expected depth of 4,140 meters.

And at Cambay, the earlier completed infill drilling campaign has delivered 44% higher production this year.

So if we look ahead, we've already announced the three-year plan at Rajasthan, and as you can see clearly, this is an exciting place to work. It's onshore, low cost, scalable, with 99% oil, with access to large nearby refineries and markets, and has a tremendous exploration upside.

We're carrying out the largest ever exploration appraisal program undertaken by the history of Cairn India at Rajasthan right now. And this is in line with Vedanta's strategy of investing and significantly growing required assets to unlock their potential, especially with high margins and significant cash flow generation at this business.

So we plan to spend about $3 billion in net CapEx across all of our oil and gas assets over the next three years, out of which $2.4 billion is for the development of Rajasthan, and $200 million is for exploration at Rajasthan.

On the development side of Rajasthan, we plan to spend the $2.4 billion to derive a resource replacement ratio of 150%, and result in a comp production compound growth rate of 7% to 10% over the next three years.

And this will involve working across three major areas. The first are the currently producing NDA fields, and these fields are expected to operate at 180,000/200,000 barrels of oil per day.

We plan to spend $1.6 billion on EOR infill drilling and facility and infrastructure upgrades to the stainless production, while the EOR programs at producing fields will help sustain recovery rates and approved recoveries.

Specifically, our Bengali contracts for the EOR program have been awarded, and we are looking to start up polymer injection in the fourth quarter of fiscal 2015, while we're currently pilot testing the next phase of enhanced oil recovery, which is the AFP flood.

We continue our infill drilling campaign at the MBA field, and have seven rigs now in place to drill 120 to 150 wells during fiscal year 2015; and we're working on infrastructure upgrades, augment water injection, fluid handling and pipeline capacities.

The second part of the three-year program is the development of Barmer Hill formation and the satellite fields. Initial estimated production rates of 10,000 to 30,000 barrels of oil equivalent per day at Barmer Hill with a net CapEx spend of $600 million.

And then thirdly, we're looking at the exciting deep gas opportunity, where we targeting to add 10,000 to 20,000 barrels of oil per day equivalent with a net CapEx of about $200 million.

Execution of these development activities is expected to deliver a compound annual growth rate of 7% to 10% in production over the next three years from -- just from the known discoveries. But given the prolific nature of the block, we're not satisfied with that. We expect to deliver more.

On exploration, we're now more confident than ever about the tremendous prospectivity of the basin and our ability to convert the resource base to production by applying world class technology and world class talent. And we plan to spend about $200 million targeting 10 new plays. We currently have four rigs just on exploration in Rajasthan.

Coming to our other businesses, together they delivered an EBITDA of $580 million, and all have significant upside. At Zinc International, full-year production was lower due to disruptions caused by accidents at Lisheen and BMM in the first quarter fiscal year 2014, and an unplanned shutdown at Skorpion in the third quarter.

Full-year production for fiscal year 2015 will be close to current levels, with declining oil grades at all operations, and an increase of strip ratio at Skorpion as we expose the ore body for future production; and we'll also undertake an exploration of all three of these assets. And we have extended the mine life of Lisheen by approximately two years since we acquired the asset, but our currently indicated mine closure would be for exploration at calendar year 2015.

Our extension efforts at BMM and Skorpion have yielded good results. At Skorpion, we've extended the life by about 2.5 years to fiscal year 2018 since acquisition. And we're currently evaluating the conversion of the Skorpion refinery to handle sulfide from Black Mountain and neighboring mines, and the technical feasibility for this has progressed well over the past few months.

At BMM, the current [East] mine is expected to operational up to fiscal year 2018, and we're exploring the [extendibility] of projects and operations at BMM.

Swartberg is a nearby [embedded] zinc mine where we're looking to complete a final feasibility later this year. Again, [further] feasibility study is underway.

At Copper India, we've been happy with the performance at Tuticorin copper smelter which has operated very efficiently in our last two quarters following the temporary shutdown in the first quarter. And we've undertaken various debottlenecking initiatives to improve plant availability, and reduce [various critical plant] operating parameters. And we have achieved a record copper recovery of 98.4% for fiscal year 2014.

We did achieve a record [Isa] furnace campaign life of 42 months against previous (inaudible) records of 23 months. We're right in the midst of our regular biennial maintenance shutdown of about 22 days at Tuticorin, and expect -- the smelter is expected to restart on May 18. We achieved a 93% capacity utilization the last nine months which we hope to improve to 96% once we resume production.

And again, as you know, we've had the strong [CCRTs] and we expect to receive a [blended rate] of over $0.20 per [GBP1] in fiscal year 2015.

Unfortunately at CMT in Tasmania, we had a tragic accident in the month of January, and operations remain temporarily shut. We're working with Work Safe Tasmania to resume modified operations. I just visited Tasmania about three weeks ago and I am happy with the progress they've made so far.

So moving on to our power business. At Jharsuguda and BALCO, we do short-term power sales where supply is more than demand and the market continues to remain weak. But the outlook is expected to improve going forward. However, these plants will eventually supply a large part of their generation to our own aluminum smelters.

At TSPL, core logistics for the first unit were established in the fourth quarter, and we expect to commence trial runs in the current quarter.

Moving to Liberia, we are evaluating the first phase as we work with the Liberian Government on infrastructure solutions for the transportation of ore. Meanwhile, our exploration teams in Liberia have been successful in identifying some earlier lower capital cost-intensive ore bodies. Our strategic priorities remain unchanged, and my intent and my focus is on successfully executing them.

We continue to see the opportunity to grow profitable production in a disciplined manner. And Vedanta's focus on cost management and active engagement with governments and stakeholders will help us to realize the full potential of our portfolio of world class assets.

We continue to work for further strengthening and deleveraging our balance sheet, as D.D has said, to gearing of 25% as our free cash flows improve. We've had a strong track record on exploration, and our focus is to add reserves and resources at more than replacement production levels. And we're working to realize the full potential of Sesa Sterlite merger with synergies beyond those we've already announced.

And most importantly, we're working to protect and preserve our license to operate with a focus and emphasis on eliminating fatalities and improving our overall stakeholder engagement.

So to sum up, we've delivered growth over the past 10 years and we've created shareholder value. We've built a diversified portfolio of high quality assets, and we're working on deleveraging the balance sheet. We're focusing on delivering operational excellence across our assets, and focused on preserving our license to operate and creating value for our stakeholders.

I've been talking to all of you recently about building momentum in businesses, and over the past few months we've done that. It started with Korba-III smelter at BALCO. We've restarted iron ore mining in Karnataka, and we see things moving forward in Goa. Most recently, we've appointed a new CEO of KCM.

Political sentiment in India seems to be about creating jobs and economic momentum, and we remain optimistic about the tremendous potential of developing natural resources in India.

So thank you. With that, we'll open the floor for any questions.

Questions and Answers

ROGER BELL, ANALYST, JPMORGAN: Roger Bell, JPMorgan. I've got quite a few questions, but I'll try and keep it to three.

First of all, just on KCM, copper Zambia. I appreciate you've given us some rough production guidance for the next couple of years, but could you comment on cost guidance, both near and long term? And also just in terms of the amount of CapEx you might need to put in to complete the underground mine development that you've spoken about.

And then second question on KCM is really the status of the Standard Bank facilities there and whether you'll need to find new debt facilities.

And then third question is a little bit more of a technical question. Looking at the consolidated statements, there's about $4.7 billion of payables, which looks like a pretty big number in absolute terms. It's about 178 days, payable days. Can you just comment on how sustainable you think that is and whether that should reverse at all in the next couple of periods?

TOM ALBANESE: D.D., if you want to take them, and I think we have some people from KCM on the call if they want to support that.

I want to just say one thing on cost is that I think that the team has done a pretty good job of working on a cost focus. I think we've probably got more leverage right now on increasing our overall production and doing so in an environment where we don't allow cost to rise with that.

Now we do recognize, as I've said in my comments, that we're working in the face of higher electricity prices so we have to actually mitigate part of that by reducing our overall electricity consumption. That's probably the biggest change driver that we've seen over the past few months.

D.D.?

D.D. JALAN: Kishore would really like to take the question on the cost guidance as well as on Standard Bank. Then I will cover the other points.

KISHORE KUMAR, CEO BASE METALS (AFRICA), VEDANTA RESOURCES PLC: Yes, thank you. As far as the bank facility is concerned, as D.D. mentioned quite for some time that we are in the final stages of signing of the documents, and both Standard Chartered and Standard Bank are likely to close this in the next couple of weeks and we should be able to clear some overdue creditors with that support.

Now coming to the cost guidance, as you mentioned, we had always tried to -- given you a prediction $2.25 ore production of about 140,000 tonnes of production. That would be the kind of number that we're expected to look at in the near term.

But the sustaining CapEx that was acquired for Konkola's development will continue to be about between 9 and 11 kilometers for the year. That remains the primary and secondary development, and we expect to spend anywhere between $50 million to $60 million on a sustainable basis for the mine development at [Kibo].

ROGER BELL: (inaudible - microphone inaccessible).

ANIL AGARWAL: Sure. I think just trying to articulate the cost guidance numbers. I think the line was not very clear.

KISHORE KUMAR: Yes, I was talking about a cost guidance about 140,000 that's production about $2.25 for the next year, around that number.

ROGER BELL: Sorry. That's $2.25 --

KISHORE KUMAR: Am I clear now?

D.D. JALAN: On the basis of 140,000 tonnes production, I think it is directly linked to the production, so the production, also the costs will come down further.

Okay. Coming back to (inaudible) $4.7 **billion**, I think if you just try to look at this in terms what is normal [grade period], and normally, our grade period cycle is almost 30 to 45 days as far as the normal supplies are concerned. This also includes the [product data] and some of the product data, what happens that the liability accrues. They've done the job completion, and the payments get done over the cycle of time, so that also is part of this.

And the third thing is that there are a lot of (inaudible) and redundancy related (inaudible) for the **mining**. All that is part of $4.7 **billion**.

ROGER BELL: Do you expect that number to fall?

D.D. JALAN: I think this number $4.7 **billion**, if we just like look at last year also it was $4.5 **billion**, for that reason we don't feel (inaudible). But we have somewhat -- moderation could be there. It could be somewhere between $4 **billion** to $4.5 **billion**.

TOM ALBANESE: I'd like to just make one comment. It's a cross-over between the trade payables question and the KCM question and that is that we had a buildup of payments due to creditors. And certainly from my perspective, working with D.D. and Kishore and the team, I've put a high priority on working those down. And what we've been doing with the money that Vedanta has injected, the $100 **million**, is prioritizing -- as we go through this refinancing, prioritize the payment to local vendors, particularly the SMEs within the Zambian economy.

ROGER BELL: Just one follow up. Of the $4.7 **billion** payables, how much relates to KCM?

D.D. JALAN: The total -- over the (inaudible) it's between $100 **million** to $150 **million**.

ROGER BELL: Okay. Thanks.

KISHORE KUMAR: I want to be clear on Zambia. It's a very interesting -- whatever assets we have taken so far. It was a matured asset, very challenging asset where we have taken -- we have taken almost after the listing of Vedanta nine assets. All nine assets are working. It was very, very challenging for us. We listed in nine years almost $3 **billion** in African region, and we've created a complete phase of -- we are very thankful to the local communities, very thankful to the government who has worked with us, and whether it be in Namibia, whether it be in Zambia or South Africa, we work with the very local people.

And these are the matured assets. The second asset which we purchased, we invested huge amount of [man] resource, technical resource and the capital, and we created this value.

MENNO SANDERSE, ANALYST, MORGAN STANLEY: Menno Sanderse, Morgan Stanley. Well, three questions as well, and why not? First one is on Zinc India. You have underground in the open pit. In the release, the **Company** has stated that it's looking to extend the life of the open pit somewhat. Can you give us an indication of the transition time between underground and open pit and when we're totally underground, and some more detail about the open pit, please?

TOM ALBANESE: Again, I think that in our original planning, we would have seen the open pit pretty much completed by calendar year 2017, I believe. And that we have been doing the development underground to be ready for that. And we've been -- some of the initial **mining** underground would be in the test areas, just in what would be above the crown pillar.

And what we've been doing over the past several months would be to look at optimizing that transition for underground to promote the pit to underground, recognizing that -- again, any open pit, as you get deeper, the strip ratio disproportionately increases, but also the risk of meeting the production in that conversion period also reduces too.

So what we're looking at now is the possibility of another lift, another production lift, which would potentially extend by as much as two years. We're still in the midst of the technical work. There still will be more -- I hope by this summer we'll be in a position to have further development in terms of the engineering. I'**m** actually quite happy to see the work that's been done. Technically, it's been a good effort, and I think that it's good for all shareholders for that to be optimized.

MENNO SANDERSE: Thanks. And then on - sorry. I have to go back (inaudible) again. So actually four areas]: So receivables/ VAT, or VAT and receivables; poor underground operating performance; some over-staffing of [corporate] activity; and some unhappy government relations. Can you give us an indication of what resources you think the **Company** needs to fix that and where you are in fixing it; i.e., you appointed a CEO but no doubt you have more to do? And coming back to the previous question, is there much extra capital required to fix all that?

TOM ALBANESE: Let me tackle -- I'd like Kishore to make some comments, but from my own personal perspective, it is a -- as I've said, a large priority for me holistically to look at what it will take to improve the KCM **business**. And again, if you look at the changes that we've had in management, the very active engagement we've had with the government over the past six months, if you look at the -- I think very good progress and success with the refinancing. I think we've been -- we're moving all in the right direction.

We have, as I said, some very fundamental work to do underground. The people we are bringing in for those underground **operations**, seasoned professionals in this particular area, are supporting it. But, again, it's also if you think about increasing and improving the alignment between the senior management and the middle management and the rank and file.

I personally have met with the unions twice in my various visits and emphasized that they're part of the solution. They need to be working with us as effectively **business** partners to create the right outcome. I've met with ministers ranging from the VP to the Mines Minister to Labor, and a range of other ministers reinforcing the point of the government needing to be part of this solution in this.

And again, they're tackling a broader range of questions as they work to build the infrastructure of the country. They look at their own budget balancing like every other country in the world in what are probably global conditions of state spending austerity.

These are all the things that we need to work on. We need to continue on. I don't there will be any silver bullets that will change the whole picture but it's just going to be a drumbeat of steady progress.

Kishore, is there anything else you'd like to add? And maybe a bit better; I'd like, Steven, your inaugural speech]. If you want to just say something being on the ground all of four days.

KISHORE KUMAR: Thank you, Tom. I think the point that was made regarding the (inaudible), I think the issue is applicable to the entire export industry. And as we speak, the engagement within KCM, the Chamber of Mines, and of course the government, has been very positive and there have been the assurances that things will get sorted out in the near future.

So we continue to believe in the long-term systems of the **Company** as well as the country, so we believe that will get sorted out in the quarters to come.

However, the issue of the underground **mining** challenge, we have been under-estimated in the past and we have done the right things by bringing in the right talent, both at Konkola underground as well as on the site of Nchanga **ore** body. So we believe although the progress is slow, but surely turning its heal up. From my perspective, that continues to be the hope that we will manage our costs efficiently. We will not allow cash to be burned unnecessarily, and try to look at diverting cash within the system that we -- the limitations we have.

At same time, recruit the right management strength at the right levels in the organization to support the transition from [artisan] **mining** to the underground mechanized **mining**. And as we speak, a lot of talent within our **Group** companies, especially from Ireland as well as from South Africa who are in underground **mining**, have already being supporting KCM in this transition, and we see this happening rapidly as [this year] comes to a closure.

Maybe I will request Steven to make his comments, initial comments.

STEVEN DIN, CEO KCM, VEDANTA RESOURCES PLC: Thank you very much, Tom. Thank you very much, Kishore. Good morning, ladies and gentlemen.

Well, first of all, I'**m** very happy to be a part of the KCM management team based here in **Chingola** in Zambia. And I'**m** also very delighted to be joining the Vedanta family.

So I've now been on site since Monday and I have a very detailed program to move around from asset to asset, not only understanding exactly what we have under construction of the assets, but also speaking to the people at all levels.

So far, I've managed to visit two shafts at the Konkola underground, and I've had some good interaction, not just with management, but also with operators, just to understand exactly what conditions they're working under. And hopefully, we can improve the industrial relations just as a result of more active communication and some visible leadership.

We also -- coming back to the Konkola underground, we have some good deep-dive discussions around equipment availability and ground conditions to see how we can actually meet the targets that we've all put together as part of the **business** plan. And the reason I mention that is because I was encouraged by the capability that I saw in the teams, and also the focus that I was seeing around targets that had been only just communicated as part of the current business plan; and also the fact that people are now being driven by bonuses. And actually, there's a small competitive atmosphere which is developing which I think is quite encouraging.

So on the leadership side and on the operational excellence side, I think that looking back to when I first visited in March, and now being here full-time, I'm actually quite impressed by how much has been done by the focus, the attention, and the introduction of new people.

Tom, obviously your visits have helped. The fact that we have new management in the underground has helped; there's a buzz about the place. And hopefully, I can actually improve some of the productivity coming out of this.

So that's just one side of the equation which is very much local in Chingola.

The other -- so I have two priorities. The first one is safety and the second one is production. And the production is to basically met our targets. So I've been creating a sense of urgency, and that's one of the reasons why we had the discussion and the deep dive.

The other high priority that I have is stakeholder engagement, part of which is the government relations. And as Kishore says, and as Tom says, we've had some good discussions recently, and I'm now increasing the level of dialog with ministerial levels. And really, it's all about transparency and making sure that the government understands some of the challenges that we have and we come together with solutions.

So all in all, in summary, I'm very happy to be here, and I'm encouraged by what I've seen; and I believe that we can turn this business around into a sustainable and profitable operation.

Thank you very much.

TOM ALBANESE: Sure. And I just want to just emphasize and look at the bigger picture. I understand the copper industry; I understand the global supply/demand fundamentals of copper. I understand this is a sector we want to be in over the next 20/30/40/50 years, and we do have long-life asset here. Frankly, as we move forward, assets getting more mature, we're not going to necessarily enjoy the grades that our predecessors would have seen, 20/30/40 years ago. And that means we have to work on being more efficient. We have to have the capital [for] the cost.

We've been putting the capital in since 2003. Vedanta and KCM have invested $2.8 billion. Vedanta has only taken out to its share $60 million of dividends. All of it -- the $2 billion of retained earnings that's been made by the business has been reinvested in the business, and it's not been reinvested in the business for the next three to six months, it's been reinvested into the business for the next 50 years.

And as a complement to that, we have made the investments, now we're making a commitment in terms of all aspects of the management, the vendor payables, the stakeholder relations, the government dialog, to make this the world-leading Company that it deserves to be.

We have to recognize -- as any older asset, and I've been around older assets that are 70 years old, there are legacies and there are myths that need to actually be confronted and addressed, and I intend to address and confront those myths and focus on what I think is a very positive future. But it's going to take some work.

MENNO SANDERSE: And lastly, a very short one. In iron ore, the Company's faced with 10% extra sales tax. It cannot sell the inventories at more than cost. Obviously, you have slightly lower scale. Besides those three points, is there anything else that affects the margins that you alluded to in the beginning [which will be a bit softer]?

TOM ALBANESE: Well, I think that the reason I made reference to the fact that we should be realistic about in the near term with the fact that you have some fixed cost; you have a lower level of production; you have, as I said -- and you said the impact -- you have the continuation of export tariffs that were put in place actually during periods of boom years in iron ore that aren't necessarily fit for purpose right now.

I think it's important to recognize from not only a Vedanta perspective but also from an Indian political perspective that there is not a shortage of iron ore. There a myth that there's a shortage of iron ore. There is no shortage of iron ore. There's a shortage of capital going into the iron ore sector.

And so what is needed, I think, would be actually more export-friendly policies by both the state and the Federal Government to encourage more exports, to incentivize capital being reinvested in the business, because the capital can be quite attractively deployed if the commercial and the political conditions are right.

And I think the other part of it is actually the responsibility borne by the producer. We have to be in a position going forward where all aspects of best practice, environmental, social, community, stakeholder, have to be strong. And I believe that what Sesa Goa did was actually quite strong in that area, but I think that also you had an environment where basically it was -- everybody was fending for themselves, and it was a bit of [Wild West] in Goa in total.

As a consequence, what's happened is that everyone's been penalized, even the good players like Sesa Goa. So what we have to do is -- part of it is communication; we have to reinforce the good work that's been done by Sesa Goa [biodiversity], [recollection], CSR, etc., but we also have to I think expect that everyone in the district plays the same higher standard of rules. But there's a great upside if all that can happen.

TIM HUFF, ANALYST, RBC CAPITAL MARKETS: Tim Huff, RBC. I just had three quick questions. Going back to Zambia, I missed the number on sustaining CapEx. With all the operational improvement going in, I was wondering how significant the increase in sustainable CapEx would be.

And on the same note, the second question at a **Group** level; with the environmental footprint improvements, safety, operational, should we expect to see an increased in sustaining CapEx over the next two years?

Last question on net debt which was great progress over the year, specifically at the Sesa Sterlite level. Vedanta Plc went up a bit. How do you guys view the two different entities with respect to the different debt levels in the context of wanting to grab that investment-grade credit rating? And will the focus remain on paying down debt at Twin Star?

TOM ALBANESE: Maybe I'll make just a general comment on sustaining capital and then if, D.D., if you have any numbers to be specific about.

We are not looking at ramping up sustaining capital. We're looking at holding sustaining capital at [ROC] levels. There's probably an allocation toward some [HSC], but it's not a significant part of the total amount. The big part of sustaining capital would be the development [drifting] and basically staying ahead of the **mining**, particularly as we go through the conversion.

But why don't you go for something more specific?

D.D. JALAN: I think last year, it was [$140 **million**] sustaining CapEx, and we expect it to be in the range of [$110 **million**] to [$130 **million**].

TOM ALBANESE: And I think the next question was about net debt levels at Sesa Sterlite versus Vedanta and the journey to debt reduction. Is that right? xxx

D.D. JALAN: Okay. So I think if you just try to look at the overall net debt, as we said, the [gross debt] was [$17 **billion**] and cash was [$9 **billion**], and overall it was $8 **billion**. And out of that, something around $4.5 **billion** is there at Vedanta Plc, and balance is at Sesa Sterlite.

And if you just try to see that now, as I mentioned in my presentation also, that cash flow which is going to be generated, that is largely going to get deployed for deleveraging; and eventually, we have set targets for ourselves that within FY 2017, we should come down to a gearing of 25%. And we should also try to see that over the past three years, we have reduced our gearing from 35% to 30.6%.

ANNA MULHOLLAND, ANALYST, DEUTSCHE BANK RESEARCH: Anna Mulholland, Deutsche Bank. I have two quick questions for D.D. and then one for Tom, if I may. For D.D., just on your interest expenses, what sort of trend do you expect given that you have obviously some maturation and short-term loans coming in this year? So overall interest exempt trend.

And then on the discussion about your deleveraging and targets to come down to 25%, I take it that doesn't include your potential unapproved CapEx, the $1.4 **billion**. What's your best estimate of the timing for that $1.4 **billion** to come into play?

And my final question for Tom is on the safety side, the safety record. Have you identified any particular general trends about why the fatalities are happening, where they're happening? And what do you see in terms of the likelihood of self-initiated stoppages? I know you had some at KCM in the quarter just gone. Do you think the rate of those stoppages is going to accelerate into this year?

Thanks.

TOM ALBANESE: Well, maybe while D.D. is going through the numbers, I can take the first one. And then --

So I think first of all on safety, when we refer to self-initiated stoppages, that would be shaft number 1. We had a new Vice President of the Konkola Deep, and his first visit to shaft number 1, he said that this needs to be shut down and this needs to be looked at and basically gone through. Well, it turned out to be more than a month of rehab area on that effort, and I think that was a very clear message he was sending to the Konkola team.

As a matter of fact -- his name's Scott. Scott and I were going underground. This was about three weeks ago and we managed to get to the very bottom of the businesses. And as we went through one of the declines, the primary production decline, we saw a [weak brow]. And he pointed it out and it was a weak brow where there was stress and there was rock coming down. It was held up just by a single rock [wall]. And again, here's the CEO coming through and we shut the decline down.

And it was a production impact. It was hugely embarrassing for everyone, from supervisors and up, to see that you had -- basically a whole crew had walked through there. Nobody had noticed that and it was sending a message that this has to be --

This is not capital. This is about behavior. This is about leadership. So we will do whatever it takes to send those kinds of messages, even if it would be production interruptions.

But I like to look at things on the positive, and what I've seen is an organization that gets it; an organization that recognizes that this is not something that can be sustainable by any means; and an organization that in all aspects says: Okay, what is best practice and how do we get to best practice?

So as I said in my opening remarks, they're hugely adaptive, hugely competent. Everyone wants to do that right thing. And I have begun seeing the behaviors; I have begun seeing a change in how investigations are conducted; a better approach in terms of compliance.

I think it was Anil that said that these are really early days of safety. I'm spending a lot of time on the roads in Delhi, and on the roads in Delhi, you get to a red light, and that's basically a cautionary tale to maybe honk the horn a couple of times before you run the red light. And that is basically using the rules as guidance rather than instruction.

And so now, the main message is when you go inside a plant gate, the rules are there not for guidance, they're instructions, and they have to be strictly adhered to.

So this is not capital. This is actually going to reduce our costs going forward, because again, these types of issues actually get in the way of good leadership. They get in the way of the productivity. They get in the way of efficiencies.

It's going to take some. Again, I don't want to be in any way saying we've done it, but I'm actually seeing improvements. And my expectation is that you will see those improvements in the numbers going forwards.

D.D. JALAN: I think $1.4 billion of the CapEx, what we talked about, that is, basically largely on the projects we have to still get their approval. It is like Lanjigarh, the [primary] expansion. It's like iron ore [tax] it is increasing from [$20 million] to [$50 million]. And also, the corporate [monetary] expansion.

So I think these all are contingent upon the approval from the government; and perhaps some of the projects may take some more time, and some of the projects will be tackled early also. That's number 1.

And number 2 regarding the interest expenses. What we said that largely if you just try to look at most of the projects, those are under completion. And for some of the projects, which are still to be completed, we have started taking the hit of interest charges in the P&L account, as I explained. And we see as a company that there is a potential to optimize interest, interest costs and [perhaps] there is room to reduce the interest costs by 2% to 3%. So that will not happen immediately, but over a period of time, that is what is the direction what we'll be seeking for.

ANNA MULHOLLAND: Thank you.

JATINDER GOEL, ANALYST, CITIGROUP: Jatinder Goel, Citigroup. Again, three questions. Looking at the [ag] report, it looks like NDA could potentially be [bidding] as well. We'll get to know tomorrow. Just two questions under this context.

Firstly, on the iron ore exports, currently, there is potentially no domestic market for the [Goan] iron ore due to its quality, but there was a media article which quoted Mr. Moodi, the Prime Minister candidate of India, saying no country exports wheat and imports bread, implying that iron ore exports are probably not acceptable. If there was to be a blanket ban on iron ore, how much time will India take to make a domestic market for Goan iron ore, and what kind of expenditure do we need for that?

The second question on bauxite. BJP has reportedly recommended that [LNP] should not be given the approval to produce the mines which are in [Rayagada], because the expectation from locals was to get a refinery in the same district while you'll be exporting bauxite to Kalahandi district to use in your Lanjigarh refinery. So do you see any merit in that and do you think the approval will be granted to you, because essentially, BJP will be coming in the regime?

And third generally on Sesa Sterlite. Is there a dividend policy in place yet after the merger?

Thank you.

KISHORE KUMAR: As you open this, you have to look at the overall aspect. One-fifth population, 1.2 **billion** people live in India. [65%] is below 28 years. Huge -- there is no major. Either the **oil company** -- when if you go to Burma, there are the two **oil** companies there, but no majors are in India; no major **oil** companies in India.

Most of the **business** was driven by the government in the past. This is the third largest economy going to be in the world. This government who is coming in is clearly committed, that probably they will be coming in very soon, they're fully committed to create a better world understanding with some idea what **China** has done in 15 years.

There will be better way, excluding the infrastructure, the [human] network resource, human (inaudible) resource and opening up the world. This is what we believe. In this environment last 10 years, where no major was there, we have successfully year after year had --

I can't give you time when the **iron ore** will be open. I can't give you exact time when Hindustan Zinc, the 25%/29% share will be given to us. This is -- [that's the culture]. This how India -- it's a very democratic country. The prices are different. But as I can see, as --

Clearly, we are the only **company** in the entire India which is a resource **company**. We have the potential to have at least 100 companies in India to be there to look at the potential of this country.

So to answer your question whether the **iron ore** will be allowed to export from Goa, it is meant to be exported from Goa. That is the only economy which is involved. Whether the (inaudible) will allow this bauxite to be transferred --

The [overall] policy, I have a very strong feel, very, very strong feel that the potential what we have via India has to create the tremendous opportunity for deployment of the capital.

This is the reason, as we said, the last 15 years, the world has moved on with **China** with the third huge potential which I can see is coming. And we are right there. We have been there. It's the only London-listed **company** which people have trusted, put in their money, got a good return out of the investment, and we are ready to take the full position in India as [country] opens.

TOM ALBANESE: I may just add a few more specifically on your **iron** questions from Goa, but also maybe ask Mr. Roongta to comment on the bauxite question, but then D.D. on the Sesa Sterlite question.

I do believe that there is -- as I mentioned before, there are some myths. And one of the myths is that there's a certain amount of **iron ore** in the country and that needs to be saved for future generations. As I said earlier, I think that that is a myth we can actually debunk, and we can debunk it by actually from a geologic perspective and access to capital perspective.

In Goa specifically, we have two drivers for why that **iron ore** is actually probably more economic this year and better for the overall economy of India to be for the export market. First of all, it's right on the seaborne market, so it is actually more competitive than most other seaborne **iron ore** in terms of getting on a boat and then accessing the **Chinese** market.

The second is it tends to be a component that is in [quality assigned] and lower grade that actually would require a full reconfiguration of the Indian steel industry to make that work.

As a matter of fact, some of the material in [well grade refraction] is being discouraged from export and has no market. And again, as I said, what we should be doing, and from an Indian public policy, is that we should be using the Goa export trade to stimulate capital injection into **iron ore** sector; to find more **iron ore**, to develop it, to put it into proven reserve resource status.

Look, you're going to take what is now a production and resource ratio that's well over 100 years and you're going to probably take into the range of multiple hundreds of years with just the application of capital in the sector and use the exports from Goa as the stimulus to inject that capital.

And so, Mr. Roongta, maybe you could do bauxite?

S.K. ROONGTA, CEO, ALUMINUM AND POWER, VEDANTA RESOURCES PLC: As far as bauxite and other raw materials are concerned, the stated policy of government of Odisha has been that bauxite and other raw materials should be processed within the state for value addition.

Well, that condition we very much fulfill because we have already put up a refinery which is going to be expanded further. So that basic requirement of the Government of Odisha we fulfill.

And as of now, the Government of Odisha has not suggested a lengthy application and it's still under their consideration. And as I said, their basic policy of that, it has been laid down time and again, and we are in tune with that.

TOM ALBANESE: Thank you. D.D.

D.D. JALAN: On Sesa Sterlite [drilling] policy, I think there is no formal policy, relevant policy as of now. But, yes, it is under both the (inaudible).

JATINDER GOEL: Thank you very much. xxx

UNIDENTIFIED **COMPANY** REPRESENTATIVE: Thanks. If we're done with questions from the room, maybe in the interest of time we'll take one or two questions from the phone line. Operator?

OPERATOR: (Operator Instructions). Liam Fitzpatrick, Credit Suisse.

LIAM FITZPATRICK, ANALYST, CREDIT SUISSE: Two questions for you, just firstly on the minority buyouts. You've continued to talk about this in recent quarters. Do you have any internal expectations that you can share in terms of the potential timing of a buyout at Hindustan Zinc?

And secondly, on the dormant aluminum capacity that you have of 1.25 **million** tonnes, given the comments you've made around sourcing of bauxite, should we assume that that is not going to start up until you actually secure a local bauxite supply? Or could you still look to start up some of that capacity based on the trade-off against **energy**?

ANIL AGARWAL: On the minority buyout, we have --29% government has to divest the minority. The government has taken a call they have already approved in the Cabinet meeting, and it's on the cards. The government was under the elections so they have not come out to go ahead with that. We believe that it should happen very soon, as soon as the new government is formed.

On the bauxite, maybe we can answer, but let Mr. Roongta can answer. Do you have something to say?

TOM ALBANESE: Yes. Maybe I was just going to comment that the intent is to ramp up the smelting with purchased **alumina**. And as I said, we have sufficient headroom in terms of our EBITDA margin to do that. But we'll on a parallel basis, be basically looking to find sources of bauxite. And as we receive the various environmental clearances to expand the Lanjigarh refinery from current 1 **million** tonne per year rate, progressively I see ourselves ramping that up, and then that will provide us some in-house **alumina** for our own smelting capacity.

But maybe, Mr. Roongta, if you have anything else to add to that.

S.K. ROONGTA: Yes. So as Tom has stated that we have enough margin at this moment, even on third-party **alumina**. And that's why we continue to work on developing our long-term bauxite security with the Government of Odisha. The startup of the smelter and its ramp up is not contingent upon first getting the bauxite and then on taking out the smelter.

So we propose to start out a smelter initially with [50 pots] from our surplus captive power, and thereafter from additional power we have which presently we are marketing or selling in the market.

So while we will continue to work for long-term bauxite source, we are not waiting for bauxite to happen first. And we will start the smelter based upon imported **alumina** 'til we have our expanded refinery at Lanjigarh. Today also partly it is being met from our Lanjigarh and partly from imported **alumina**.

TOM ALBANESE: Thank you. And I just want to add that this is again part of that strategy of momentum where instead of waiting for every single bit to be done and then start (inaudible) up at once, which could take a long time, to take it in stages. And as we have discrete solutions, begin to turn those discrete solutions into discrete additions to capacity.

Operator, were there any other questions?

OPERATOR: We have no further questions from participants.

TOM ALBANESE: I think we had a very good round of questions and so I think we covered most of the ground. This is my first sitting as Chief Executive, and I think that for me it's very exciting because as the Chairman has said, we've had 10 years of success in the London market. I think we have a TSR that outranks your investments if you would have been on the overall broader index; and it outranks if you would have been in the more specific mining index over that 10-year period of time.

I think that there are very few of the non-OECD market rivals that can actually claim the same credit, and so I think that, Anil, you should be proud of what you've done.

And so if I look forward, and I see the backdrop of the election, it points to past success, but a pretty exciting opportunity going forward.

So thank you very much.

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