

Glossary and Definitions

<p>5S A Japanese concept laying emphasis on housekeeping and occupational safety in a sequential series of steps as Sort (Seiri); Set in Order (Seiton); Shine (Selso); Standardise (Seiketsu); and Sustain (Shitsuke)</p> <p>Adapted Comparator Group The new comparator group of companies used for the purpose of comparing TSR performance in relation to the LTIP, adopted by the Remuneration Committee on 1 February 2006 and replacing the previous comparator group comprising companies constituting the FTSE Worldwide Mining Index (excluding precious metals)</p> <p>AGM or Annual General Meeting The annual general meeting of the Company which is scheduled to be held at 3pm, UK time, on 28 August 2012</p> <p>AE Anode effects</p> <p>AIDS Acquired Immune Deficiency Syndrome</p> <p>Aluminium Business The aluminium business of the Group, comprising its fully-integrated bauxite mining, alumina refining and aluminium smelting operations in India, and trading through the Bharat Aluminium Company Limited and VAL, companies incorporated in India</p> <p>Articles of Association The articles of association of Vedanta Resources plc</p> <p>Attributable Profit Profit for the financial year before dividends attributable to the equity shareholders of Vedanta Resources plc</p> <p>BALCO Bharat Aluminium Company Limited, a company incorporated in India.</p> <p>BMM Black Mountain Mining Pty</p> <p>Board or Vedanta Board The board of directors of the Company</p> <p>Board Committees The committees reporting to the Board: Audit, Remuneration, Nominations, and Health, Safety and Environment, each with its own terms of reference</p> <p>Businesses The Aluminium Business, the Copper Business, the Zinc, Lead, silver, Iron ore, Power and Oil and Gas Businesses together</p> <p>Capital Employed Net assets before Net (Debt)/Cash</p> <p>Capex Capital expenditure</p>	<p>Cash Tax Rate Current taxation as a percentage of profit before taxation</p> <p>CEO Chief executive officer</p> <p>CII Confederation of Indian Industries</p> <p>CLZS Chanderiya lead and zinc smelter</p> <p>CO₂ Carbon dioxide</p> <p>CMT Copper Mines of Tasmania Pty Limited, a company incorporated in Australia</p> <p>Combined Code or the Code The Combined Code on Corporate Governance published by the Financial Reporting Council in June 2008 & updated by them from time to time</p> <p>Company or Vedanta Vedanta Resources plc</p> <p>Company Financial Statements The audited financial statements for the Company for the year ended 31 March 2012 as defined in the Independent Auditors' Report on the individual Company Financial Statements to the members of Vedanta Resources plc</p> <p>Convertible Bonds \$725 million 4.60% guaranteed convertible bonds due 2026, issued by a wholly-owned subsidiary of the Company, Vedanta Finance (Jersey) Limited ('VFJL'), and guaranteed by the Company, the proceeds of which are to be applied towards re-financing subsidiary indebtedness, the Company's capital expenditure programme including the Jharasuguda aluminium smelter project and other general corporate purposes</p> <p>\$1,250 million 5.5% guaranteed convertible bonds due 2016, issued by a wholly owned subsidiary of the Company, Vedanta Resource Jersey Limited ('VRJL') and guaranteed by the Company, the proceeds of which are to be applied for to support its organic growth pipeline, to increase its ownership interest in its subsidiaries and for general corporate purposes</p> <p>\$883 million 4.0% guaranteed convertible bonds due 2017, issued by a wholly owned subsidiary of the Company, Vedanta Resource Jersey II Limited ('VRJL-II') and guaranteed by the Company, the proceeds of which are to be applied for to refinance debt redemptions and for general corporate purposes</p> <p>\$500 million 4.0% guaranteed convertible bonds due 2014, issued by a subsidiary of the Company, Sterlite Industries (India) Limited ('SIL'), the proceeds of which are to be applied for to for expansion of copper business, acquisition of complementary businesses outside of India and any other permissible purpose under and in compliance with, applicable laws and regulations in India, including the external</p>
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commercial borrowing regulations specified by the RBI \$500 million 5.0% guaranteed convertible bonds due 2014, issued by a subsidiary of the Company, Sesa Goa Limited ('Sesa'), the proceeds of which are to be applied for to expand the Issuer's mining operations, for exploration for new resources, and to further develop its pig iron and metallurgical coke operation

Copper Business

The copper business of the Group, comprising:

- > a copper smelter, two refineries and two copper rod plants in India, trading through Sterlite Industries (India) Limited, a company incorporated in India;
- > one copper mine in Australia, trading through Copper Mines of Tasmania Pty Limited, a company incorporated in Australia; and
- > an integrated operation in Zambia consisting of three mines, a leaching plant and a smelter, trading through Konkola Copper Mines PLC, a company incorporated in Zambia

CREP

Corporate responsibility for environmental protection

Cents/lb

US cents per pound

CRRRI

Central Road Research Institute

CSR

Corporate social responsibility

CTC

Cost to company, the basic remuneration of executives in India, which represents an aggregate figure encompassing basic pay, pension contributions and allowances

CY

Calendar year

Deferred Shares

Deferred shares of £1.00 each in the Company

DGMS

Director General of Mine Safety in the Government of India

Directors

The Directors of the Company

Dollar or \$

United States dollars, the currency of the United States of America

DRs

Depository receipts of 10 US cents, issuable in relation to the \$725 million 4.6% guaranteed convertible bonds due 2026

EBITDA

Earnings before interest, taxation, depreciation, goodwill amortisation/impairment and special items

EBITDA Margin

EBITDA as a percentage of turnover

Economic Holdings or Economic Interest

The economic holdings/interest are derived by combining the Group's direct and indirect shareholdings in the operating companies. The Group's Economic Holdings/Interest is the basis on which the Attributable Profit and net assets are determined in the consolidated accounts

E&OHSAS

Environment and occupational health and safety assessment standards

E&OHS

Environment and occupational health and safety management system

EPS

Earnings per ordinary share

ESOP

Employee share option plan

ESP

Electrostatic precipitator

Executive Committee

The Executive Committee to whom the Board has delegated operational management. It comprises the Executive Directors and the senior management of the Group

Executive Directors

The Executive Directors of the Company

Expansion Capital Expenditure

Capital expenditure that increases the Group's operating capacity

Financial Statements or Group Financial Statements

The consolidated financial statements for the Company and the Group for the year ended 31 March 2012 as defined in the Independent Auditors' Report to the members of Vedanta Resources plc

Free Cash Flow

Cash flow arising from EBITDA after net interest (including gains on liquid investments and adjusted for net interest capitalised), taxation, Sustaining Capital Expenditure and working capital movements

FY

Financial year i.e. April to March

GAAP, including UK GAAP and Indian GAAP

Generally Accepted Accounting Principles, the common set of accounting principles, standards and procedures that companies use to compile their financial statements in their respective local territories

GDP

Gross domestic product

Gearing

Net Debt as a percentage of Capital Employed

Glossary and Definitions continued

GJ Giga joule	Kwh Kilo-watt hour
Indian Government The Government of the Republic of India	Kwh/d Kilo-watt hour per day
Gratuity A defined contribution pension arrangement providing pension benefits consistent with Indian market practices	LIBOR London inter-bank offered rate
Group The Company and its subsidiary undertakings and, where appropriate, its associate undertaking	LIC Life Insurance Corporation
HSE Health, safety and environment	Listing or IPO (Initial Public Offering) The listing of the Company's ordinary shares on the London Stock Exchange on 10 December 2003
HZL Hindustan Zinc Limited, a company incorporated in India	Listing Particulars The listing particulars dated 5 December 2003 issued by the Company in connection with its Listing or revised listing filed in 2011
IAS International Accounting Standards	Listing Rules The listing rules of the Financial Services Authority, with which companies with securities that are listed in the UK must comply
ICMM International Council on Mining and Metals	LME London Metals Exchange
IFRIC International Financial Reporting Interpretations Committee	London Stock Exchange London Stock Exchange plc
IFRS International Financial Reporting Standards	Lost Time Injury An accident/injury forcing the employee/contractor to remain away from his/her work beyond the day of the accident
INR Indian Rupees	LTIFR Lost time injury frequency rate: the number of lost time injuries per million man hours worked
Interest Cover EBITDA divided by finance costs	LTIP The Vedanta Resources Long-Term Incentive Plan or Long-Term Incentive Plan
ISO 9001 An international quality management system standard published by the International Organisation for Standardisation	MALCO The Madras Aluminium Company Limited, a company incorporated in India
ISO 14001 An international environmental management system standard published by the International Organisation for Standardisation	Management Assurance Services (MAS) The function through which the Group's internal audit activities are managed
KCM or Konkola Copper Mines Konkola Copper Mines PLC, a company incorporated in Zambia	MAT Minimum alternative tax
KDMP Konkola deep mining project	MIS Management information system
Key Result Areas or KRAs For the purpose of the remuneration report, specific personal targets set as an incentive to achieve short-term goals for the purpose of awarding bonuses, thereby linking individual performance to corporate performance	MOEF The Ministry of Environment & Forests of the Government of the Republic of India
KLD Kilo litres per day	mt or tonnes Metric tonnes
KPIs Key performance indicators	

MU

Million Units

MW

Megawatts of electrical power

NCCBM

National Council of Cement and Building Materials

Net (Debt)/Cash

Total debt after fair value adjustments under IAS 32 and 39, cash and cash equivalents and liquid investments

Net Gearing

See Gearing

NGO

Non-governmental organisation

NIHL

Noise induced hearing loss

Non-Executive Directors

The Non-Executive Directors of the Company

OHSAS 18001

Occupational Health and Safety Assessment Series (standards for occupational health and safety management systems)

Oil & Gas Business

The Group's subsidiary, Cairn India Limited is involved in the business of exploration, development and production of oil & gas

Ordinary Shares

Ordinary shares of 10 US cents each in the Company

PBT

Profit before tax

PFC

Per fluorocarbons

PHC

Primary health centre

PPE

Personal protective equipment

Provident Fund

A defined contribution pension arrangement providing pension benefits consistent with Indian market practices

PSC

Production sharing contract

Recycled water

Water released during mining or processing and then used in operational activities

Relationship Agreement

The agreement dated 5 December 2003 between the Company, Volcan Investments Limited and members of the Agarwal family that regulates the ongoing relationship between them, the principal purpose of which is to ensure that the Group is capable of carrying on business independently of Volcan, the Agarwal family and their associates

Return on Capital Employed or ROCE

Profit before interest, taxation, special items, tax effected at the Group's effective tax rate as a percentage of Capital Employed

The Reward Plan

The Vedanta Resources Share Reward Plan, a closed plan approved by shareholders on Listing in December 2003 and adopted for the purpose of rewarding employees who contributed to the Company's development and growth over the period leading up to Listing in December 2003

RO

Reverse osmosis

R&R

Reserves and Resources

SA 8000

Standard for Social Accountability based on international workplace norms in the International Labour Organisation ('ILO') conventions and the UN's Universal Declaration of Human Rights and the Convention on Rights of the Child

Senior Management Group

For the purpose of the remuneration report, the key operational and functional heads within the Group

Sesa Goa

Sesa Goa Limited, a company incorporated in India engaged in the business of mining iron ore

SEWT

Sterlite Employee Welfare Trust, a long-term investment plan for Sterlite senior management

The Share Option Plan

The Vedanta Resources Share Option Plan, a closed plan approved by shareholders on Listing in December 2003 and adopted to provide maximum flexibility in the design of incentive arrangements over the long term

SHGs

Self help groups

SID

Senior Independent Director

SIIL

Sterlite Industries India Ltd

SO₂

Sulphur dioxide

SOX

Sarbanes-Oxley Act of 2002

SBU

Strategic Business Unit

STL

Sterlite Technologies Limited, a company incorporated in India

Special Items

Items which derive from events and transactions that need to be disclosed separately by virtue of their size or nature

Glossary and Definitions continued

SPM

Suspended particulate matter. Fine dust particles suspended in air

Sterling, GBP or £

The currency of the United Kingdom

Sterlite

Sterlite Industries (India) Limited, a company incorporated in India

Sterlite Energy Limited (SEL)

Sterlite Energy Limited, a company incorporated in India

Superannuation Fund

A defined contribution pension arrangement providing pension benefits consistent with Indian market practices

Sustaining Capital Expenditure

Capital expenditure to maintain the Group's operating capacity

TCM

Thalanga Copper Mines Pty Limited, a company incorporated in Australia

TC/RC

Treatment charge/refining charge being the terms used to set the smelting and refining costs

TGS

Tail gas scrubber

TGT

Tail gas treatment

TLP

Tail Leaching Plan

tpa

Metric tonnes per annum

TPM

Tonne per month

TSR

Total shareholder return, being the movement in the Company's share price plus reinvested dividends

Turnbull Guidance

The revised guidance on internal control for directors on the Combined Code issued by the Turnbull Review Group in October 2005

Twin Star

Twin Star Holdings Limited, a company incorporated in Mauritius

Twin Star Holdings Group

Twin Star and its subsidiaries and associated undertaking

Underlying EPS

Underlying earnings per ordinary share

Underlying Profit

Profit for the year after adding back special items and other gains and losses and their resultant tax and non-controlling interest effects

US cents

United States cents

VAL

Vedanta Aluminium Limited, a company incorporated in India

VFD

Variable frequency drive

VFJL

Vedanta Finance (Jersey) Limited, a company incorporated in Jersey

Volcan

Volcan Investments Limited, a company incorporated in the Bahamas

VRCL

Vedanta Resources Cyprus Limited, a company incorporated in Cyprus

VRFL

Vedanta Resources Finance Limited, a company incorporated in the United Kingdom

VRHL

Vedanta Resources Holdings Limited, a company incorporated in the United Kingdom

VSS

Vertical Stud Söderberg

Water Used for Primary Activities

Total new or make-up water entering the operation and used for the operation's primary activities; primary activities are those in which the operation engages to produce its product

WBCSD

World Business Council for Sustainable Development

ZCI

Zambia Copper Investment Limited, a company incorporated in Bermuda

ZCCM

ZCCM Investments Holdings plc, a company incorporated in Zambia

ZRA

Zambia Revenue Authority

Zinc Business

The zinc-lead business of the Group, comprising its fully-integrated zinc-lead mining and smelting operations in India, and trading through Hindustan Zinc Limited, a company incorporated in India