Remuneration Report

Naresh Chandra
Chairman, Remuneration Committee

Membership, Meetings and Attendance

The members of the Remuneration Committee who served during the year, all of whom are independent Non-Executive Directors, are shown below together with their attendance at Remuneration Committee meetings:

	Number of meetings attended
Naresh Chandra (Chairman)	2/2
Euan Macdonald	2/2
Aman Mehta	2/2

Dear Shareholder,

I am pleased to present the Remuneration Report for the year to 31 March 2012. This report provides details of the Group's remuneration policy and the remuneration of the Executive and Non-Executive Directors for the year.

This year has been challenging with continuing global economic uncertainty. In spite of the difficult operating environment, Vedanta has delivered enhanced performance in operational deliverables. Our achievements during the year include:

- good progress in organic growth,
- successful integration of zinc assets acquired from Anglo American,
- acquisition of mining assets in Liberia,
- completion of the Cairn India acquisition, and
- Increase in Reserve and Resource

The achievements of the business during the year are set out in the Business Review on pages 6 to 57 and principal risks facing the Company are set out on pages 26 to 31.

The Remuneration Committee's Year

During the year, the Remuneration Committee carried out a review of the performance related elements of Directors' pay (i.e. the Long-Term Incentive Plan and Annual Performance Bonus) with particular regard to the provisions within the 2010 UK Corporate Governance Code. The conclusion of this review was that the Remuneration Committee believes the performance related elements of remuneration are aligned to the business performance and long-term strategy of the Company, and that they are in line with the Company's risk policies.

The Year Ahead

As a result of the continued debate around executive remuneration there is likely to be legislation in the UK governing how remuneration is set and approved. We will seek to have best practice in terms of our remuneration policies and ensure remuneration is linked to the Company's strategy and performance.

A resolution to approve this report will be proposed at the Annual General Meeting to be held on 28 August and I hope that you will support this resolution.

Naresh Chandra
Chairman, Remuneration Committee
16 May 2012

Remuneration Report continued

Overview

This Remuneration Report provides details of the operation of the Remuneration Committee and gives information about remuneration policies and practices adopted by the Company in respect of members of the Board.

The report also reviews general remuneration policy in relation to senior management within the Group. It has been prepared in accordance with the Listing Rules of the UK Listing Authority, Schedule 8 of the Large and Medium Companies and Groups (Accounts and Reports) Regulations 2008 and the UK Code on Corporate Governance (the 'Code').

The Companies Act 2006 requires the auditors to report to the Company's members on certain parts of the Directors' Remuneration Report and to state whether in their opinion those parts of the report have been properly prepared in accordance with the Accounting Regulations. Those areas which are audited are indicated in the report.

What are the Responsibilities of the Remuneration Committee?

The Committee's responsibilities are set out in its terms of reference which are available from the company secretary. The Committee's Terms of Reference were reviewed and amended during the year. Amendments made included clarifying that the Committee is exclusively responsible for selection criteria and appointment of any remuneration consultants and that the Committee may commission any reports or surveys necessary for carrying out its work.

The Committee's responsibilities primarily include:
> the Company's overall policy on executive and senior management remuneration;
> determining the remuneration packages for individual Executive Directors, including basic salary, performance-based short- and long-term incentives, pensions and other benefits;
> the design and operation of the Company's share incentive schemes; and
> reviewing and determining the terms of the service agreements of the Executive Directors.

The Committee gives full consideration to the Code and published guidelines regarding the remuneration of directors of listed companies including those published by the Association of British Insurers and National Association of Pensions Funds. The Committee is committed to ensuring that remuneration policy reflects, to the extent practicable, global corporate governance guidance on executive remuneration.

Advisers to the Committee

The Committee engages independent consultants for advice on specific aspects of Directors' remuneration, as appropriate. Given the India-focused approach as most of our operations are based in India, it has not been felt necessary to appoint permanent independent remuneration consultants to advise the Committee except for need based advice. Those who advised the Committee during the year and their roles are set out below.

Mr A Thirunavukkarasu (President – Group HR)	> Inputs on general policies and practices followed in India and global market > Inputs into discussions concerning the Executive Directors remuneration and benefits > Remuneration policy applicable to employees at large
Executive Directors	> Provide inputs on remuneration packages for senior executives to ensure parity amongst senior executives in different businesses but at similar roles > Other Directors may attend meetings at the invitation of the Chairman but no Director is present during discussions of their own remuneration
New Bridge Street ('NBS') (Brand of Aon Hewitt Limited, an Aon Company)	> Ad hoc advice on particular aspects of Directors' remuneration > NBS subscribe to the Remuneration Consultants Group's Code of Conduct Neither NBS nor any part of Aon Hewitt Corporation provided other services to the Company during the year
Ernst & Young LLP	> Review and confirmation of the Company's TSR performance in respect of the Long-Term Incentive Plan > Ernst & Young LLP provide some tax and internal audit services to the Group

Remuneration Policy for Executive Directors

The key objective of the Group's broad remuneration policy is to enable a framework that allows for competitive and fair rewards for the achievement of key deliverables and also aligns with practice in the industry and shareholders' expectations.

When setting remuneration for the Executive Directors' the Committee takes into account the market sector, business performance and the practices in other comparable companies. Since Vedanta Resources plc operates in global and local markets with the majority of operations in India, additional data is obtained from high-performing companies that are comparable in terms of revenue, market capitalisation, diversity and growth.

A summary of current remuneration arrangements for the Executive Directors is set out below:

Area of Responsibility	Item	Description	Policy
Base Salary	› Reflects individual's experience and role within the Group › Reward for performance of day-to-day activities	› Fixed element of the remuneration package › Paid in cash on a monthly basis	› Typically positioned at the median of the identified comparator Group
Short-term Incentive	› Incentivise executives to achieve specific, predetermined goals during the financial year	› Variable component of remuneration › Paid annually in cash	› Determined by the Committee after year-end, based on performance against the pre-determined financial and non-financial metrics
Long-Term Incentive Plan	› Drive and reward delivery of sustained long-term total shareholder return ('TSR') performance aligned to the interests of shareholders	› Variable long-term remuneration element › Performance measured over three years and paid in shares	› Awards of conditional shares made periodically with vesting levels dependent on relative TSR performance at the end of the 36-month performance period
Post employment benefits	› Provide for sustained contribution	› Accrues depending on length of service	› In line with statutory requirements
Benefits in kind	› To provide market competitive benefits	› Non-monetary in nature	› In line with local market practices

Remuneration Policy for the Senior Management Group

A geography wise approach is followed across the Group in determining the remuneration of key operational and financial heads within the Group (the 'Senior Management Group'). Both variable and fixed components of the remuneration packages for the Senior Management Group are therefore set by reference to local market practice in India and other geographies and in alignment with the Group's strategy.

The remuneration packages of the Senior Management Group comprise:

- A salary for day-to-day performance of duties. This year the average salary increase for members of the Senior Management Group was 23%
- A performance bonus as an incentive to meet yearly targets – these are set by reference to individual key result areas ('KRAs'), personal qualities and the financial performance of the Company
- Awards under the long-term incentive plan ('LTIP', referred to below) to incentivise long-term and strategic performance
- Relevant pension provision and benefits in kind in accordance with local market practices
- Special monetary rewards for the successful integration of M&A activities (applies to certain roles only)

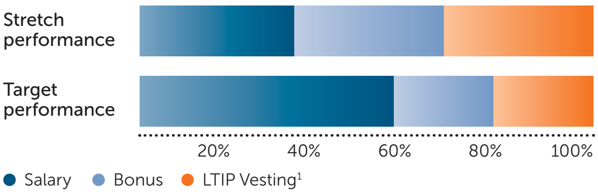
Remuneration Report continued

Remuneration Mix

The total remuneration package is designed to provide an appropriate balance between fixed and variable components with focus on long-term variable pay so that strong performance is incentivised but without encouraging excessive risk taking.

The chart below demonstrates the balance of fixed and variable pay in these circumstances for the Executive Directors assuming: (i) maximum bonuses were paid and full vesting of LTIP awards ('Stretch Performance'); and (ii) actual bonus pay outs as earned in 2012 and median vesting of LTIP awards ('Target Performance').

Relative split of salary, bonus and LTIP for Executive Directors



1 Share price growth has been ignored.

Base Salary

The Executive Directors are based in India (with the exception of Mr Anil Agarwal, who is UK-based), along with the majority of the Group's professional management. Consequently their remuneration is set by reference to the prevailing rates within that market. In addition, salaries for Executive Directors and members of the Senior Management Group are set by reference to those positions of comparable status, skill and responsibility in the metals and mining industries, and in the manufacturing and engineering industries more generally.

The basic remuneration of executives in India is referred to as 'cost to company' ('CTC') which represents an aggregate figure encompassing basic salary and allowances such as housing and other benefits.

The Chairman, Mr Anil Agarwal, has a service agreement with Vedanta Resources plc. His salary is approved by the Board (without the Chairman present) on the recommendation of the Remuneration Committee.

Mr Navin Agarwal and Mr MS Mehta have service agreements with Sterlite Industries (India) Ltd ('Sterlite') which have been augmented by letters of appointment to the Board of the Company. Mr Navin Agarwal and Mr MS Mehta receive a salary under their Sterlite contract and an annual fee paid to them from the Company to reflect the amount of time they spend on Board business. Details of their salary and fees are shown below.

Salaries are reviewed on an annual basis and changes are implemented with effect from 1 April each year taking into account the period of service during the year.

The review in relation to the salaries to be paid to the Executive Directors for 2012 considered a broad range of comparative information and Annual Salary Survey Reports of country of operation.

Details of salary levels for the Executive Directors for 2012 are set out below:

	Vedanta salary from 1 April 2011 (£)	Sterlite salary from 1 April 2011 (INR)	Vedanta salary from 1 April 2012 (£)	Sterlite salary from 1 April 2012 (INR)	Total 2012 (£)[1]	Total 2011 (£)[2]
AK Agarwal (Executive Chairman)	1,404,150	–	1,475,000	–	1,475,000	1,404,150
N Agarwal (Deputy Executive Chairman)	80,000	67,773,600	80,000	75,910,000	1,073,546	1,036,174
MS Mehta (Chief Executive)	80,000	23,040,000	80,000	26,496,000	426,792	405,056

Notes:
1 Exchange rate of INR76.4031 to £1 as at 31 March 2012.
2 Exchange rate of INR70.88 to £1 as at 31 March 2011.

In sterling terms, these salary increases are between 3% and 5%.

The above salaries were set taking into account the Executive Directors' relative positioning against a peer group of UK Listed Mining comparator companies (excluding the largest global stocks which are felt to be too large for pay comparison). The Committee believes this is the most relevant group for benchmarking the main Board executives. In particular it was noted that the competitiveness of the Deputy Chairman and Chief Executive's salaries was heavily impacted by the relative weakening of the Indian rupee during the financial year.

Annual Performance Bonus

The Company operates a performance bonus scheme providing the Executive Directors and the Senior Management Group with an opportunity to earn a cash amount based on the achievement of stretching performance targets. The bonus is non-pensionable.

In determining the actual bonus payments, the Committee takes into consideration such factors as performance related to the Group's financial KPIs, operational performance against budget, safety performance, and performance against industry peers in local as well as global markets. In addition, the Committee believes that the bonus arrangements should neither encourage nor reward inappropriate risk-taking. Specific targets are not disclosed as they would give a clear indication of the Group's business targets which are commercially sensitive.

For the year ended 31 March 2012, the payment of the annual bonus was dependent on business operational performance and projects, including greenfield and expansion projects. In addition it was also linked to strategic initiatives in mergers and acquisitions and effective stakeholder management which resulted in recognition and achievement of awards in CSR, safety, quality, business excellence and best employer status.

The overall level of performance, as elaborated below, resulted in annual bonus awards in the range of 37% to 40% of base salary. The actual bonus payments received by them are shown in the table on page 91. Key highlights of performance which led to this bonus assessment are set out below.

Operational Performance

- Refined Zinc production was a record 759,000 tonnes, 7% higher than corresponding prior period.
- Mined zinc-lead production was marginally lower at 830,000 tonnes.
- Full year silver production was at a record 35% higher at 7.78 million ounces.
- Iron ore production for the full year was lower at 13.8 million tonnes owing to Karnataka mining ban and discontinuation of Orissa operations.
- Total copper cathode production in India was 326,000 tonnes, 7% higher than the corresponding period. In Zambia it was 8% lower at 200,000 tonnes and the mined metal production at Australia was 23,000 tonnes in line with the prior period.
- The Jharsuguda-I Aluminium smelter has stabilised with most of the key parameters, including power consumption, at normal operating levels. The BALCO-II smelter operated at its rated capacity for the full year.
- The 1mtpa Lanjigarh Alumina refinery has been operating near its rated capacity, and its Alumina production was 31% higher at 928,000 tonnes for the full year.
- The first metal tapping from the 325ktpa BALCO-III Aluminium smelter is expected by Q3 FY 2012-13. The first 300MW unit of the 1,200MW captive power plant at BALCO will be synchronised in the current quarter.
- Power sales were 6,544 million units during full year, as compared with 1,879 million units during the corresponding prior period, as the three new 600MW units of the Jharsuguda 2,400MW power plant come into operation. During the last quarter, Unit-3 started commercial production and Unit-4 was synchronised.
- Work at the 1,980MW power project at Talwandi Sabo is progressing well and the first 660MW unit is on track for synchronization in Q4 FY 2012–13. The 150MW wind power expansion at HZL was completed during the quarter, taking our wind power generation capacity to around 274MW.
- Significant early progress made on the integration of Cairn India following its acquisition in December 2011. For example, the gross Oil production from operating units was 160,635bopd during the full year, as compared with 135,811bopd during the corresponding prior period. This was higher due to the ramp-up of Rajasthan operations during the year, including commencement of oil production at Bhagyam, the second largest field in the Rajasthan block.

Remuneration Report continued

Long-Term Incentive Plan ('LTIP')

The Company operates a Long-Term Incentive Plan for Executive Directors, senior management and select wider management team. Under the LTIP, awards of nominal-cost options may be granted in line with the Board's objective of incentivising and developing the potential within the wider management group. Each year the aim has been to broaden the constituency of employees eligible to participate in the LTIP so as to encourage equity ownership amongst employees.

It is the Committee's intention that the LTIP will continue to be operated for these purposes and in the way described below during the forthcoming year.

LTIP Performance Measures

The vesting of LTIP awards is subject to measurement of the Company's performance in terms of Total Shareholder Return ('TSR'), being the movement in the Company's share price (plus reinvested dividends), compared over a three-year period from the date of grant with the performance of a specific list of companies, selected as being the Group's main peers and competitors. This performance condition was selected as it provides a strong alignment between the interests of shareholders and the wider management team. The full list of companies against whose performance Vedanta's TSR is measured is as follows (the 'Comparator Group'):

1. Anglo American
2. BHP Billiton
3. Rio Tinto
4. Xstrata
5. Vale
6. Antofagasta
7. Grupo Mexico
8. Hindalco
9. Alcoa
10. Teck

There have been no changes to the Comparator Group during the year.

The extent to which an award vests will depend on the Company's TSR ranking against the Comparator Group at the end of the three-year performance period.

The vesting schedule is shown in the table below, with straight-line vesting in between the points shown rounded down to the nearest whole share.

Group	% of Vedanta's TSR Performance against the Comparator award vesting
Below median	nil
At median	40
At or above upper quartile	100

The information to enable this calculation to be carried out on behalf of the Committee is provided by Ernst & Young LLP.

As the majority of the Group's employees are domiciled in India and Africa, the Remuneration Committee has to be cognisant of relevant local market practice in order to be sure of retaining high calibre employees in that market. The most common form of long-term incentive in India is an executive share option scheme in which a certain percentage of options vest every year, and with options vesting fully (100%) over three to four years (often not subject to any performance conditions). However, no awards vest under the Vedanta LTIP before three years. In addition, LTIP awards vest subject to the relative TSR performance condition described above. Considering the multiplicity of factors (including vesting term duration, the use of a pre-vest condition that measures performance relative to peer group companies and the relatively modest maximum award level under the LTIP compared to other companies of a similar size) that determine benefits under the LTIP, the Remuneration Committee believes that 40% vesting for median performance is warranted, and the minimum required to maintain the LTIP's role as a strong motivational and retention tool for the high calibre management team. However, the Committee continues to monitor the appropriateness of this approach and may, for the benefit of the LTIP awardees at large (excluding EDs), improve the vesting proportion considering the average TSR performance over the 36-month performance period.

Operation of the LTIP

The maximum value of awards that can be conditionally awarded to an Executive Director in a year is 100% of the aggregate of annual salary and CTC fees. Details of the awards held by the Executive Directors as at 31 March 2012 are shown in the table of Directors' Long-term Incentive Awards on page 91.

LTIP awards are also made to the Senior Management Group and select employees across the Group. The maximum value of awards that can be awarded to the employees is calculated by reference to the average 'CTC' of each grade and individual performance level.

Nominations for awards under the LTIP are made by the chief executive officers of each operating company and heads of large independent projects based on guidelines issued by the Group. Individuals are assessed and categorised by reference to the importance of their roles to the relevant business unit, past performance and future potential.

Grant of LTIP awards

During the year, it was highlighted that the Group's employees in India were working in an increasingly competitive market with talented management remaining scarce. As a result, the Remuneration Committee resolved to award a total of 2,862,100 LTIP options to approximately 2,684 employees effective 1 August 2011. The awards ranged from 70% to 165% of annual 'CTC'. In addition, select employees who had joined during the year were also awarded LTIP options in line with terms and conditions of appointment.

Post acquisition of Zinc assets of Anglo Zinc, employees of the erstwhile Anglo Zinc were also covered under Vedanta LTIP scheme in lieu of the performance-based reward scheme of Anglo Zinc effective 1 April 2012 as a good corporate governance practice.

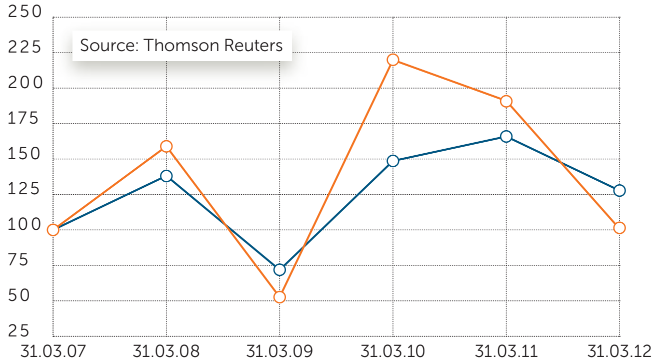
Equity Dilution Resulting from Employee Share Schemes

The dilution limits set out in the rules of the Employee Share Schemes established in December 2003 (including the LTIP) allow up to an aggregate of 10% of the Company's issued share capital to be issued or issuable pursuant to awards under any of the Company's employee share schemes over a period of 10 years. Up to 5% of the Company's issued share capital may be used for the Company's discretionary schemes (such as the LTIP) over a 10-year period. Shares issued or issuable pursuant to awards made under the Vedanta Resources Share Reward Plan (the 'Reward Plan') are not counted for these purposes. The Reward Plan was used solely to reward employees who contributed to the Company's development up to the listing in 2003. No further awards have been made under this Plan. Currently 1.55% (2011: 0.75%) of the Company's issued share capital is issuable in respect of outstanding awards under the LTIP.

Total Shareholder Return Performance Graph

The graph below shows the TSR performance of the Company in comparison with that of the FTSE All Share Mining Index for the period from 31 March 2007 to 31 March 2012. The FTSE All Share Mining Index was chosen as it is the most relevant to compare the Company's performance against its peers.

Total shareholder return (£)



This graph shows the value, by 31 March 2012, of £100 invested in Vedanta Resources PLC on 31 March 2007 compared with the value of £100 invested in the FTSE All Share Mining Index. The other points plotted are the values at intervening financial year-ends.

— Vedanta Resources plc — FTSE All Share Mining Index

Executive Directors' Service Contracts

Mr Anil Agarwal is employed under a contract of employment with the Company for a rolling term but which may be terminated by not less than six months' notice. Provision is made in Mr Agarwal's contract for payment to be made in lieu of notice on termination which is equal to basic salary and costs to the Company for providing certain benefits during the notice period or part thereof.

Mr Navin Agarwal has a letter of appointment with Vedanta which is a rolling contract and may be terminated by giving six months' notice. Mr Navin Agarwal has a service agreement with Sterlite which expires on 31 July 2013, with a notice period of three months or salary in lieu thereof.

Mr Mahendra Singh Mehta has a letter of appointment with Vedanta and a service contract with Sterlite which expires on 31 December 2013, with a notice period of three months or salary in lieu thereof.

It is the Group's policy that no Directors' service contract should be terminable on more than 12 months' notice.

Copies of all Executive Directors' service contracts and the letters of appointment of the Non-Executive Directors are available for inspection during normal business hours at the registered office of the Company.

Executive Directors' Service Contract Details

	Date of contract	Notice period	Outstanding term
AK Agarwal	27 November 2003	6 months	Rolling notice period
N Agarwal (Vedanta)	4 May 2005	6 months	Rolling notice period
N Agarwal (Sterlite)	1 August 2003	3 months	Until 31 July 2013
Mr MS Mehta	1 October 2008	3 months	Until 31 December 2013

Remuneration Report continued

External Appointments

The Board's policy on external appointments is that an Executive Director may, only with the prior approval of the Board, accept an appointment external to the Group (other than any appointment to related parties or Volcan Investments Limited ('Volcan') in the case of Messrs Anil Agarwal and Navin Agarwal as a Non-Executive Director of a publicly listed company anywhere and that the fees for any such appointment may be retained by the individual.

Currently, none of the Executive Directors holds any such outside appointments.

Non-Executive Directors

Non-Executive Directors' Fees

The Board is responsible for setting policy in relation to the Non-Executive Directors' fees and reviews them periodically. General policy is to provide fees in line with market practice for similar Non-Executive Director roles in international mining groups. Fees paid to the Non-Executive Directors also take account of the Group's complexity, the significant travel and time commitments required for attending Board and other meetings in India and the UK and the risk profile of the Company. The last review was carried out in 2010 at which time it was agreed that the fees would be frozen for a period of three years. Mr Aman Mehta and Mr Naresh Chandra are also paid a salary of US$125,000 each from a subsidiary of Cairn India Limited and a sitting fee of INR2,40,000 each from Cairn India Limited.

Non-Executive Directors' fees payable for chairing or being a member of a Board committee are as follows:

1. Base fee, £80,000
2. Audit Committee Chairman, £20,000
3. Member of Audit Committee, £7,500
4. Remuneration Committee Chairman, £17,500
5. Member of Remuneration Committee, £7,500
6. Member of Nominations Committee, £5,000
7. Sustainability Committee Chairman, £20,000
8. Senior Independent Director fee, £10,000

Non-Executive Directors' Letters of Appointment

The Non-Executive Directors have letters of appointment which may be terminated by either party by giving three months' notice. The Non-Executive Directors' letters of appointment set out the time requirements expected of them in the performance of their duties. Non-Executive Directors are normally expected to spend at least 20 days per year on Company business. There is no provision in the letters of appointment of the Non-Executive Directors for compensation to be paid in the event of early termination. Details of the Non-Executive Directors' Letters of Appointment are shown below.

	Date of appointment as a Director	Date of current letter of appointment	Notice period	Expiry of present term (subject to annual re-election)
N Chandra[1]	18 May 2004	1 June 2011	3 months	Until 31 May 2012
A Mehta	24 November 2004	24 November 2009	3 months	Until 23 November 2013
ER Macdonald	23 March 2005	23 March 2011	3 months	Until 22 March 2013

1 Mr Chandra is engaged on a contract renewable every 12 months.

Information on Director's shareholdings

Shareholding Guidelines

There are at present no formal shareholding guidelines for the Executive Directors. The Remuneration Committee believes formal guidelines are not necessary at this time due to the existing holdings held by the Executive Directors and participation in the LTIP which encourages share ownership. Shareholding guidelines may be introduced at a future date if this is felt to be appropriate.

Directors' Interests in Ordinary Shares

The interests of the Directors (which are beneficial unless otherwise stated) in ordinary shares at 31 March 2012 were:

	As at 1 April 2011	As at 31 March 2012
AK Agarwal[1]	162,250,000	167,953,056[2]
AK Agarwal[3]	72,400	87,240
N Agarwal[1]	213,360	223,160
MS Mehta	31,521	41,857
N Chandra	–	–
A Mehta	–	–
ER Macdonald	–	–

1 Mr Anil Agarwal and Mr Navin Agarwal each held nominee shares in direct and indirect subsidiaries. These holdings are non-beneficial.
2 Mr Agarwal's holding of 167,953,056 shares are registered in the name of Volcan Investments Limited which is a company owned by a family trust.
3 Shares held directly by Mr AK Agarwal.

There have been no changes in the beneficial shareholdings of the Directors between the end of the financial year and the 15 May 2012.

(Audited Information)

Directors’ Remuneration for the Year Ended 31 March 2012

The following table sets out an analysis of the pre-tax remuneration for the year ended 31 March 2012 for individual Directors who held office in the Company during this period. All amounts are in UK pounds sterling although payments in India under service contracts with Sterlite are paid in Indian rupees.

Directors’ Remuneration

	UK salary £000	CTC fees £000	Pensions £000	Annual performance bonus £000	Benefits in kind £000	Total 2012 £000	Total 2011 £000
Executive Directors							
AK Agarwal[1]	1,404	–	–	550	56	2,010	1,731
N Agarwal[2]	80	844	141	376	41	1,482	1,369
M S Mehta[3]	80	297	29	139	4	550	483
Non-Executive Directors							
N Chandra[4]	140	27	–	–	–	167	140
A Mehta[4]	112	27	–	–	–	139	111
ER Macdonald	100	–	–	–	–	100	100
Total	**1,916**	**1,195**	**170**	**1,065**	**101**	**4,448**	**3,933**

Notes:
1 Mr Anil Agarwal’s benefits in kind include provision of a car and fuel in the UK and India for business purposes.
2 Mr Navin Agarwal’s benefits in kind include, club membership, and use of car and driver.
3 Mr MS Mehta’s benefits in kind include use of car and driver.
4 Salary paid by subsidiary of Cairn India Limited post it became Vedanta subsidiary.

Directors’ Long-Term Incentive Plan Awards

	Option granted	Exercise price (US cents)	1 Apr 11	Movements during the year: Grants	Movements during the year: Exercised	Movements during the year: Lapsed due to performance condition	31 Mar 12	Earliest/ latest exercise dates	Date award exercised	Market price at exercise £	Market price at grant £	Aggregate gain on exercise £
AK Agarwal	1 Aug 09	0.1	60,000				60,000	1 Aug 12 -1 Jan 13	–	–	17.64	–
	1 Aug 11	0.1		73,500			73,500	1 Aug 14 -1 Jan 15	–	–	17.20	–
N Agarwal	1 Aug 09	0.1	40,000	–			40,000	1 Aug 12 -1 Jan 13	–	–	17.64	–
	1 Aug 11	0.1		57,500			57,500	1 Aug 14 -1 Jan 15	–	–	17.20	–
MS Mehta	1 Aug 09	0.1	17,500	–			17,500	1 Aug 12 -1 Jan 13	–	–	17.64	–
	1 Aug 11	0.1		21,000			21,000	1 Aug 14 -1 Jan 15	–	–	17.20	–

The mid-market price of the shares at 31 March 2012 was 1,228 pence and from 1 April 2011 to 31 March 2012, the share price varied between 895.78 pence and 2,600.00 pence

This Remuneration Report was approved by the Board on 16 May 2012 and signed on behalf of the Board of Directors by:

Naresh Chandra
Chairman of the Remuneration Committee
16 May 2012