



**Vedanta Resources plc**  
16 Berkeley Street  
London W1J 8DZ  
Tel: +44 (0) 20 7499 5900  
Fax: +44 (0) 20 7491 8440  
[www.vedantaresources.com](http://www.vedantaresources.com)

**27 June 2011**

### **Proposed Acquisition of controlling stake in Cairn India Limited**

Vedanta Resources Plc ("Vedanta" or the "Company") and Cairn Energy Plc ("Cairn Energy") have agreed to certain adjustments to the Sale and Purchase agreement for the purchase of a stake in Cairn India Limited ("Cairn India") from Cairn Energy.

Vedanta and Cairn Energy have agreed to remove the non-compete provision and related non-compete fee of Rs. 50 per share. The total consideration payable for the 40% stake in Cairn India will now be reduced from US\$6,651 million to US\$6,023 million.

Vedanta and Cairn Energy have also agreed that completion of the Transaction will take place in two tranches. Vedanta will acquire a 10% stake in Cairn India on or before 11th July 2011. Following this, the Vedanta Group will hold a stake of 28.5% in Cairn India in aggregate (including the acquisition of a 10.4 per cent stake from Petronas and 8.1% stake acquired in the open offer). Cairn Energy will continue to hold a controlling stake of 52.2%. The acquisition of the remaining 30% stake by Vedanta is subject to necessary consents and approvals from the Government of India.

Anil Agarwal, Executive Chairman of Vedanta said:

*"Vedanta believes this initial 10% purchase is a further demonstration of its commitment to India. We look forward to the successful completion of the proposed transaction"*

A further announcement will be made in due course.

#### **Investors:**

Ashwin Bajaj  
Senior Vice President – Investor Relations  
Vedanta Resources plc  
ir@vedanta.co.in  
Tel: +44 20 7659 4732 / +91 22 6646 1531

#### **Media:**

Gordon Simpson  
Faeth Birch  
Finsbury  
Tel: +44 20 7251 3801

#### **About Vedanta Resources plc**

Vedanta Resources plc ("Vedanta") is a London listed FTSE 100 diversified metals and mining major. The group produces aluminium, copper, zinc, lead, silver, iron ore and commercial energy. Vedanta has operations in India, Zambia, Namibia, South Africa, Ireland and Australia and a strong organic growth pipeline of projects. With an empowered talent pool of 31,000 employees globally, Vedanta places strong emphasis on partnering with all its stakeholders based on the core values of entrepreneurship, excellence, trust, inclusiveness and growth. For more information, please visit: [www.vedantaresources.com](http://www.vedantaresources.com).

### **Disclaimer**

This press release contains “forward-looking statements” – that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “should” or “will.” Forward-looking statements by their nature address matters that are, to different degrees, uncertain. For us, uncertainties arise from the behaviour of financial and metals markets including the London Metal Exchange, fluctuations in interest and or exchange rates and metal prices; from future integration of acquired businesses; and from numerous other matters of national, regional and global scale, including those of a political, economic, business, competitive or regulatory nature. These uncertainties may cause our actual future results to be materially different than those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements.