

8 April 2010

**Vedanta Resources plc**  
**Production Release for the Fourth Quarter and Year Ended 31 March 2010**

**Highlights**

- 210 ktpa zinc smelter at Dariba and 1 mtpa zinc concentrator at Rampura Agucha commissioned, three months ahead of schedule
- Mid shaft loading station at the Konkola Deep Mine Project commissioned
- Significant increase in annual production in all businesses
- Record quarterly production of iron ore and aluminium during Q4 FY2010

**Zinc**

Mined metal production in Q4 was 194,000 tonnes, marginally lower than the corresponding prior quarter. Full year production increased by 5% to 769,000 tonnes compared to the previous year reflecting improved mining performance.

Refined zinc and lead production in Q4 2010 was 150,000 tonnes and 20,000 tonnes respectively, in line with the corresponding prior quarter. Full year production of zinc & lead was 578,000 tonnes and 72,000 tonnes, an increase of 5% and 11% respectively, over the previous year due to higher operational efficiencies. In Q4 we sold 86,000 dry metric tonnes of surplus zinc concentrate and 10,000 dry metric tonnes of surplus lead concentrate.

Silver production was 1.65 million ounces in Q4 2010, 9% higher compared to the corresponding prior period. Full year silver production was 5.7 million ounces, 34% higher than FY 2009.

The new 210 ktpa zinc smelter at Rajpura Dariba and the new 1 mtpa concentrator at Rampura Agucha were commissioned during the end of the quarter, three months ahead of schedule. Consequently, the total zinc smelting capacity has increased to 879 ktpa.

Construction activity at the 100 ktpa lead smelter at Dariba and the 160MW CPP is progressing well for scheduled completion in Q2 FY2011.

The Sindesar Khurd mine project is on schedule for progressive commissioning from Q1 FY 2011.

## **Iron Ore**

During Q4, Sesa Goa shipped 7.4 million tonnes of iron ore, (with 1.8 million tonnes contributed by Dempo) compared to 5.0 million tonnes in the corresponding prior quarter. Despatches for the year were 20.5 million tonnes, an increase of 36% compared to 15.1 million tonnes in the corresponding prior period.

Production in Q4 and the full year was 7.8 million tonnes and 21.4 million tonnes respectively, an increase of 59% and 34% over corresponding periods, a result of 3.6 million tonnes contribution from Dempo's operations and increased throughput from existing Sesa's operations.

The expansion of iron ore capacity to 50mtpa by FY 2013 is progressing well, with a combination of mining and logistics capacity enhancements in progress.

Expansion of the pig iron plant capacity to 625 ktpa and associated expansion of metallurgical coke plant capacity to 560 ktpa is progressing well for scheduled commissioning by Q1 FY 2012.

## **Copper – India and Australia**

Copper cathode production at the Tuticorin smelter was 80,000 tonnes in Q4, lower than the corresponding prior quarter primarily due to low copper grades. Cathode production for FY2010 was 334,000 tonnes, an increase of 7% compared to the previous year.

Our Australian copper mines have achieved normal production following the mud rush earlier this year and contributed 7,000 tonnes of mined metal production in Q4. Full year production was 24,000 tonnes.

The 400 ktpa copper smelter project and associated captive power plant at Tuticorin is progressing well, with detailed engineering and procurement activities underway for scheduled commissioning by mid 2011.

## **Copper – Zambia**

At our Zambian operations, integrated cathode production was 34,000 tonnes during Q4, an increase of 26% over the corresponding prior quarter and 15% higher than the immediately prior quarter. Cathode production from custom smelting was 19,000 tonnes during Q4. Total cathode production in FY 2010 was 173,000 tonnes, 30% higher than the previous year.

The mid shaft loading station at the Konkola Deep Mine Project was commissioned in March 2010 as scheduled, resulting in an increase in the hoisting capacity of the mine. Construction work on the bottom shaft sinking is progressing on schedule, for completion by Q3 FY 2012.

## Aluminium

Aluminium production in Q4 was a record 159,000 tonnes, a 19% increase over the corresponding prior quarter and full year aluminium production of 533,000 tonnes was 15% higher than the previous year. The increases were mainly on account of 264,000 tonnes contributed by the Jharsuguda aluminium smelter during the year, partially offset on shut down of BALCO I smelter, in Q1. The Balco II smelter continues to operate above its rated capacity.

The first 250 ktpa smelter at Jharsuguda has been stabilised and is operating at close to its rated capacity. Progressive commissioning of second 250 ktpa smelter is underway with 209 pots out of 304 pots commissioned and the remaining 99 pots expected to be commissioned by May 2010. All nine units of the 1,215 MW CPP are now operational.

1.25 mtpa Jharsuguda II aluminium smelter project is progressing well with the first metal tapping expected in Q1 FY2011 and full commissioning in Q2 FY 2013 as per schedule.

The alumina refinery at Lanjigarh produced 762,000 tonnes of Alumina during the year. The 600 ktpa de-bottlenecking project is now scheduled for completion in Q1 FY 2011. Progress on the 3 mtpa expansion project is on schedule.

The first metal tapping from the 325 ktpa aluminium smelter project at BALCO is expected in Q4 FY 2011. Construction of the 1,200MW captive power plant is progressing well and the first unit is expected to be synchronised in Q3 FY2011, with the remaining three units progressively synchronised by Q2 FY2012.

## Energy

We sold 956 million units of power during the quarter compared to 435 million units sold in the corresponding prior quarter. This was mainly on account of surplus power from BALCO 1 due to the shut down of aluminium operations, and from the Jharsuguda CPP. For the full year, 3,279 million units of power were sold, compared to 882 million units in FY 2009.

The first unit of the 2,400MW IPP at Jharsuguda is expected to get commissioned in Q1 FY 2011, with the remaining three units to be progressively commissioned by the end of FY 2011.

At the 1,980 MW supercritical IPP project at Talwandi Sabo, the EPC contract has been finalised. The EPC contractor has appointed subcontractors to carry out pre-construction activities at the site and orders have also been placed for turbines, generators and power houses. Project completion is expected by Q2 FY 2014.

Note: The energy segment includes temporary surplus power sales from various captive power plants in addition to the sales from power plants of 100 MW at MALCO, 270 MW at BALCO-1, and 123 MW wind power plant at HZL.

## Production Summary (Unaudited)

(in '000 tonnes, except as stated)

Particulars	Quarter ended 31 March			Year ended 31 March		
	2010	2009	Change	2010	2009	Change
<b>Alumina</b>						
Korba I/Mettur <sup>1</sup>	-	42	-	43	241	-
Lanjigarh	203	171	18.7%	762	586	30.0%
<b>Aluminium</b>	159	134	18.7%	533	462	15.4%
Jharsuguda	91	49	85.7%	264	82	222.0%
Korba II	64	62	3.2%	250	251	-
Korba I/Mettur <sup>1</sup>	4	23	-	18	129	-
<b>Copper- India/ Australia</b>						
Copper - Mined metal content	7	8	(12.5%)	24	27	(11.1%)
Copper - Cathodes	80	88	(9.1%)	334	313	6.7%
<b>Copper - Zambia</b>	53	35	51.4%	173	133	30.1%
Integrated	34	27	25.9%	127	108	17.6%
Custom	19	8	137.5%	46	25	84.0%
<b>Zinc</b>						
Zinc - Mined metal content	194	198	(2.0)%	769	735	4.6%
Zinc -refined	150	151	-	578	552	4.7%
Lead -refined <sup>2</sup>	20	18	11.1%	72	65	10.8%
Silver (in '000 ounces) <sup>3</sup>	1,653	1,523	8.5%	5,671	4,235	33.9%
<b>Iron Ore</b>						
Saleable Ore <sup>4</sup>	7.8	4.9	59.2%	21.4	16.0	33.8%
<b>Energy (in million units)</b>	956	435	119.8%	3,279	882	271.8%
BALCO, MALCO, HZL Wind <sup>5</sup>	617	192	221.4%	2,187	376	481.6%
Surplus from CPP's <sup>6</sup>	339	243	39.5%	1,092	506	115.8%

1. Plants no longer operational
2. Including captive consumption of 1,601 tonnes vs 2,302 tonnes in Q4 FY2010 vs Q4 FY2009 and 7,308 tonnes vs 5,010 tonnes in FY 2010 vs FY 2009
3. Including captive consumption of 268,000 ounces vs 392,000 ounces in Q4 FY2010 vs Q4 FY2009 and 1,216,000 ounces vs 858,000 ounces in FY 2010 vs FY 2009
4. Iron ore is reported on wet tonnes basis
5. Power sold from BALCO 270MW, MALCO and HZL Wind power
6. Power sold from various CPP's

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#### **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, iron ore and commercial energy. Vedanta has operations in India, Zambia and Australia and a strong organic growth pipeline of projects. With an empowered talent pool of 30,000 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 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 that those expressed in our forward-looking statements. We do not undertake to update our forward-looking statements.