

14 April 2004

Vedanta Resources plc
Analyst Site Visit

Vedanta Resources plc ('Vedanta'), the London-listed metals and mining group, announces that it is holding a site visit this week for analysts in India, which will cover three of its sites: the aluminium complex at Korba, and the zinc and lead facilities at Chanderiya and Rampura Agucha.

- The aluminium division within Vedanta has a total annual capacity of 135,000 tonnes of aluminium. The complex at Korba in the State of Chattisgarh, Central India, consists of an alumina refinery, an aluminium smelter, a power plant and a fabrication facility. The smelter is currently expanding capacity to 350,000 tpa. Work is also taking place on the bauxite mine and alumina refinery at Orissa which will have an ultimate capacity of 1.4 mtpa of alumina.
- The zinc business has a current capacity of 207,000 tonnes of zinc and 34,000 tonnes of lead. The HZL lead-zinc smelter, located at Chanderiya, 120 km east of Udaipur in the State of Rajasthan, is building a 170,000 tpa hydrometallurgical zinc smelter, together with a captive power plant of 154 mega watts. At the same site we are also expanding the lead capacity by 50,000 tpa.
- The lead-zinc mine at Rampura Agucha, 225 km north of Udaipur, is one of the lowest cost in the world. It has an installed capacity of 2.0 mtpa of ore. HZL intends to increase the capacity of the mine and processing plant to 3.3 mtpa.

The visit will involve tours of these sites as well as presentations from senior management on key areas of the business. It will provide analysts with an opportunity to gain a better understanding of Vedanta's assets, strategy and prospects. The business will further benefit in the current year from the commissioning of the copper smelter and refinery at Tuticorin, which is scheduled for the end of the first quarter of the financial year.

No new information on current trading will be disclosed during the visit. Vedanta will announce its results for the year ended 31 March 2004, in June 2004 and confirms that these should be in line with expectations.

Vedanta also announces that it has increased its stake in its subsidiary Sterlite Industries (India) Limited ('Sterlite') by 2.4% through the purchase for cash of an additional 1.7 million shares from the Sterlite Employee Welfare Trust at an average price of INR 550 per share. The total cost of the purchase is US\$21.4 million and it takes Vedanta's effective interest in Sterlite to 68.1%. This purchase does not have a material impact on the cash position of Vedanta under UK GAAP and continues to advance Vedanta's stated strategy of increasing its direct ownership in its underlying businesses.

Peter Sydney-Smith, Vedanta Finance Director, commented:

'We are delighted to be hosting this trip and showing the progress made since listing in London last year. We continue with our strategy of simplifying the ownership structure of our underlying businesses and maximising the value inherent in the existing corporate structure.'

- Ends -

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Notes to Editors:

Vedanta is a diversified metals and mining group with zinc, copper and aluminium operations in India and two copper mines in Tasmania and Queensland in Australia.

Vedanta holds its interests in these operations through two subsidiaries, Sterlite and the Madras Aluminium Company ('Malco'). Sterlite is Vedanta's principal subsidiary company and is currently listed on the Bombay Stock Exchange. Vedanta's copper operations are owned and operated by Sterlite and it also holds majority stakes in the group's zinc business, Hindustan Zinc Ltd ('HZL'), and the Bharat Aluminium Company ('Balco'), the group's principal aluminium business.

When Vedanta listed in London in December 2003, one of its principal stated strategies was to consolidate its group structure by increasing its direct ownership in the Group's underlying businesses. A number of initiatives have been pursued to implement this strategy.

These initiatives have included:

- The acquisition in November 2003 of a further 18.9 per cent. of the issued share capital of HZL from the Government of India for a total consideration of INR3,238 million (US\$71.6 million). Sterlite now has a direct holding of 64.9 per cent. in HZL.
- The acquisition on 6 January 2004 of 4.98 per cent. of the issued share capital of Sterlite from the Sterlite Employee Welfare Trust by Twin Star for a consideration of INR739 per share (after adjusting for the one to one bonus share issue made by Sterlite at the end of January 2004). The total consideration for this acquisition was INR2,644 million (US\$58 million).
- The most recent acquisition of 2.4 per cent of the issued share capital of Sterlite from the SEWT by Twin Star for a consideration of INR550 per share. The total consideration for this acquisition was INR936 million (US\$21.4 million).

In addition, Sterlite has announced plans for a rights issue and Twin Star has undertaken to take up its entire pro-rata entitlement. To the extent that other shareholders do not take up their rights, Twin Star may take up those unclaimed entitlements, thereby further increasing the Group's interest in Sterlite.

At the time of its listing Vedanta had a direct holding in Sterlite of 55.1 per cent and, as a result of Vedanta's 80 per cent. holding in Malco, which in turn holds 7.1 per cent of Sterlite, had an effective interest in Sterlite of 60.8 per cent. The above acquisitions have resulted in an increase in Vedanta's direct holding in Sterlite to 62.4 per cent and, accordingly, an increase in its effective interest to 68.1 per cent. Sterlite also owns 65% of HZL, 51% of Balco and 100% of the Australian mines.