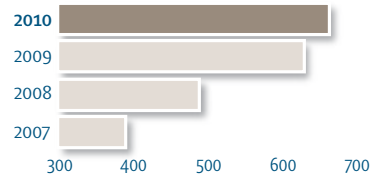


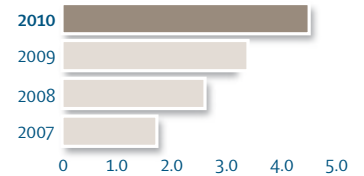
# Our Strategy and Performance

Our vision is to be a world-class metals and mining company and to generate strong returns for our shareholders. Our strategy is based on the following four pillars:

Zinc-Lead (kt)



Silver (moz)



## Strategy

### Organic Growth

#### Priorities

We continue to deliver on our industry-leading growth programme, and look for further opportunities to capitalise on our strategic location advantage, particularly with India's vast mineral resources and growing domestic market. Our exploration efforts are enabling us to successfully grow reserves and resources.

### Optimise Returns

We have a culture of continuous improvement, and are focused on maintaining a low cost position in all our businesses. We are leveraging the Dempo iron ore acquisition to realise synergies, and are ramping up silver production at our zinc operations.

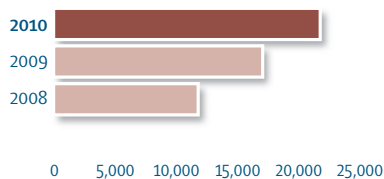
### Group Structure

Our priority is to create value for all our shareholders, and we seek to unlock value at our subsidiaries. We continue to buyback Vedanta stock, as well as purchase shares of our subsidiaries.

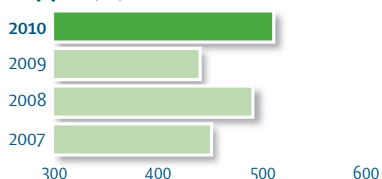
### Additional Investment Opportunities

Our successful acquisitions of HZL, BALCO, KCM and Sesa Goa have contributed substantially to our growth. We continue to selectively pursue value-enhancing opportunities where we can leverage our skills and experience.

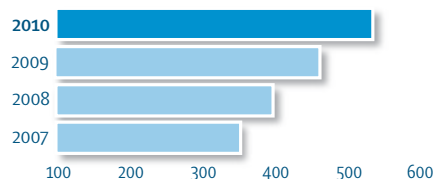
**Iron Ore (kt)**



**Copper (kt)**



**Aluminium (kt)**

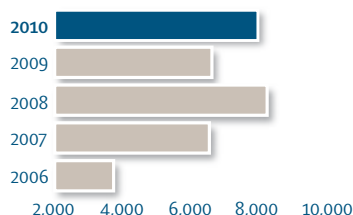


**Description**

**2009-10 performance**

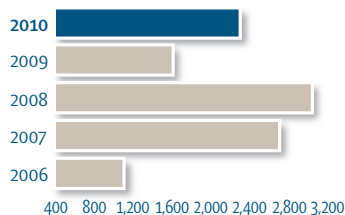
**Revenue (US\$ million)**

Revenue represents the value of goods and services provided to third parties during the year.



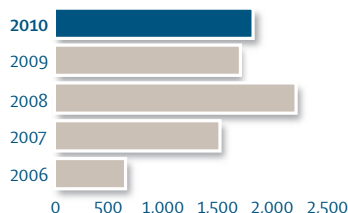
**EBITDA (US\$ million)**

Earnings Before Interest, Taxes, Depreciation and Amortization is a factor of volumes, prices and cost of production. This measure is calculated by adjusting operating profit for special items, and adding depreciation and amortisation.



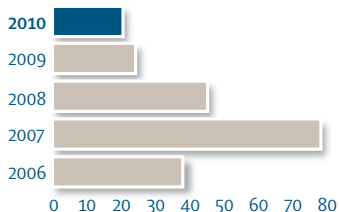
**Free Cash Flow (US\$ million)**

This represents net cash flows before financing activities, investing activities in expansion projects and dividends paid out by Vedanta. This measure ensures that the profit generated by our assets is reflected by cash flow in order to fund future growth.



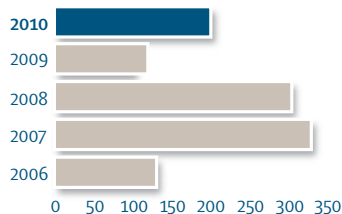
**ROCE (%)**

This is calculated on the basis of operating profit before special items and net of tax as a ratio of capital invested in operations as at the balance sheet date, and excludes investment in project capital work in progress. The objective is to consistently earn a post-tax return above the weighted average cost of capital and this indicator measures the efficiency of our productive capital.



**Underlying EPS (US cents)**

This represents net profit attributable to equity shareholders and is stated before special items and their attributable tax and minority interest impacts. By producing a stream of profits and EPS we will be able to pay a progressive dividend to our shareholders. EPS growth also demonstrates the management of our capital structure.

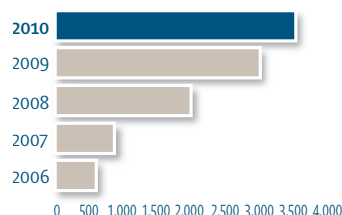


**Description**

**2009-10 performance**

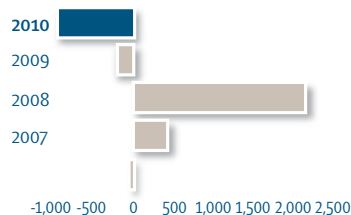
**Capex Spent (US\$ million)**

This represents the amount invested in our organic growth programme during the year. A summary of the group's projects are listed on page 39.



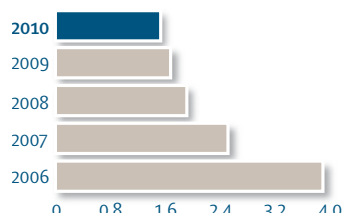
**Net (debt)/cash (US\$ million)**

This represents total debt, including debt related derivatives, as reduced by cash and cash equivalents and liquid investments.



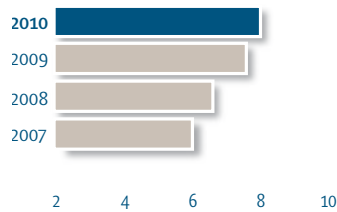
**LTIFR**

Number of hours of lost time due to injury per million man-hours worked.



**Women Workforce (%)**

Percentage of women in the total permanent employee workforce.



**CSR Footprint – Number of Villages**

This represents the geographical reach of our community engagement.

