



sesa sterlite
a vedanta company

SESA STERLITE LIMITED

ANNUAL REPORT
2013-14



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**CONSOLIDATED
STRENGTHS
SUSTAINABLE
VALUE**



WHAT'S INSIDE?



Top: Employee at Cairn India
Bottom: Sesa Goa iron ore mine

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THE MERGER OF SESA GOA AND STERLITE INDUSTRIES CREATED **SESA STERLITE** - ONE OF THE WORLD'S LARGEST DIVERSIFIED NATURAL RESOURCES COMPANIES.

It has a portfolio of **world-class, low-cost, scaleable assets** that generate strong and consistent profitability with robust cash flows.

The consolidation of our strengths, will lead to the **creation of better opportunities and sustainable value** for all stakeholders. It will also facilitate the fulfillment of our sustainability objectives and community outreach, helping improve the lives of many.

In our first annual report, **we outline our vision and strategy and give you a glimpse into the assets we own**, the role we play in securing a resource-rich future, and the manner in which we care for our communities.

WELCOME TO **OUR WORLD.**

QUICK FACTS



Employees at Cairn India

**ONE OF THE
WORLD'S
LARGEST**
DIVERSIFIED
NATURAL
RESOURCES
COMPANIES

OPERATING **~30%**
OF INDIA'S CRUDE
OIL PRODUCTION

**WORLD'S FASTEST
GROWING ENERGY
COMPANY,** AS PER
PLATTS RANKING
2013

**WORLD'S
LARGEST ZINC
MINER** AND
SECOND LARGEST
INTEGRATED ZINC
PRODUCER

*Aerial view of the Lisheen mine*

**INDIA'S MARKET
LEADER** IN
MOST OF THE
COMMODITIES IT
OPERATES IN

ONE OF THE
LARGEST
PRIVATE SECTOR
EMPLOYERS WITH
**71,000+ DIRECT
AND INDIRECT
EMPLOYEES**

COMMUNITY
OUTREACH
**PROGRAMMES
REACHING 3.4+
MILLION**

**CONTRIBUTED
₹ 30,000+ CRORE**
TO INDIA'S
EXCHEQUER

SESA STERLITE AT A GLANCE

Sesa Sterlite Limited ("Sesa Sterlite") is one of the world's largest diversified natural resources companies.



Night view of Tuticorin copper smelter

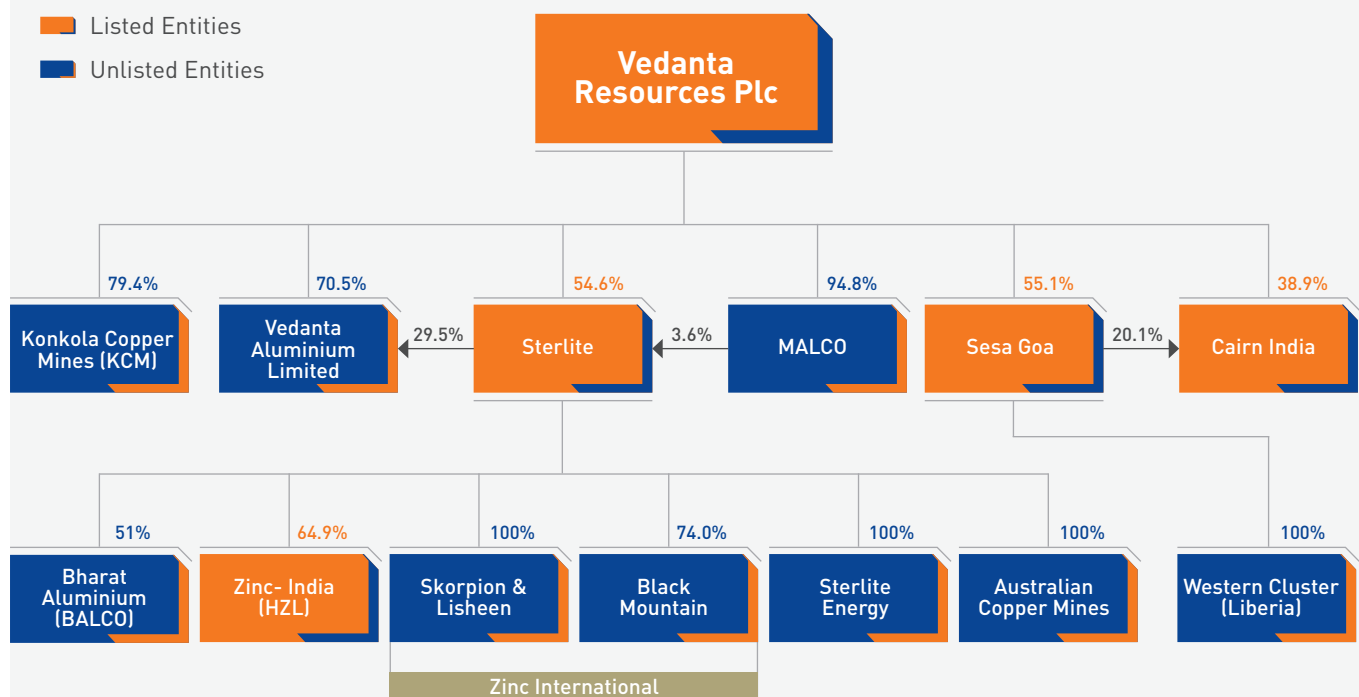
MERGER

- └ Sterlite Industries Limited and Sesa Goa Limited merged to create Sesa Sterlite Limited
- └ Vedanta Aluminium Limited has been 100% consolidated into Sesa Sterlite Limited
- └ Sterlite Energy Limited merged into Sesa Sterlite Limited
- └ MALCO merged into Sesa Sterlite Limited
- └ Vedanta's direct holding of 38.8% in Cairn India Limited transferred to Sesa Sterlite, with associated debt. Sesa Sterlite now has a 58.9%* shareholding in Cairn India

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* As on March 31, 2014

ORGANISATION STRUCTURE: PRE-MERGER

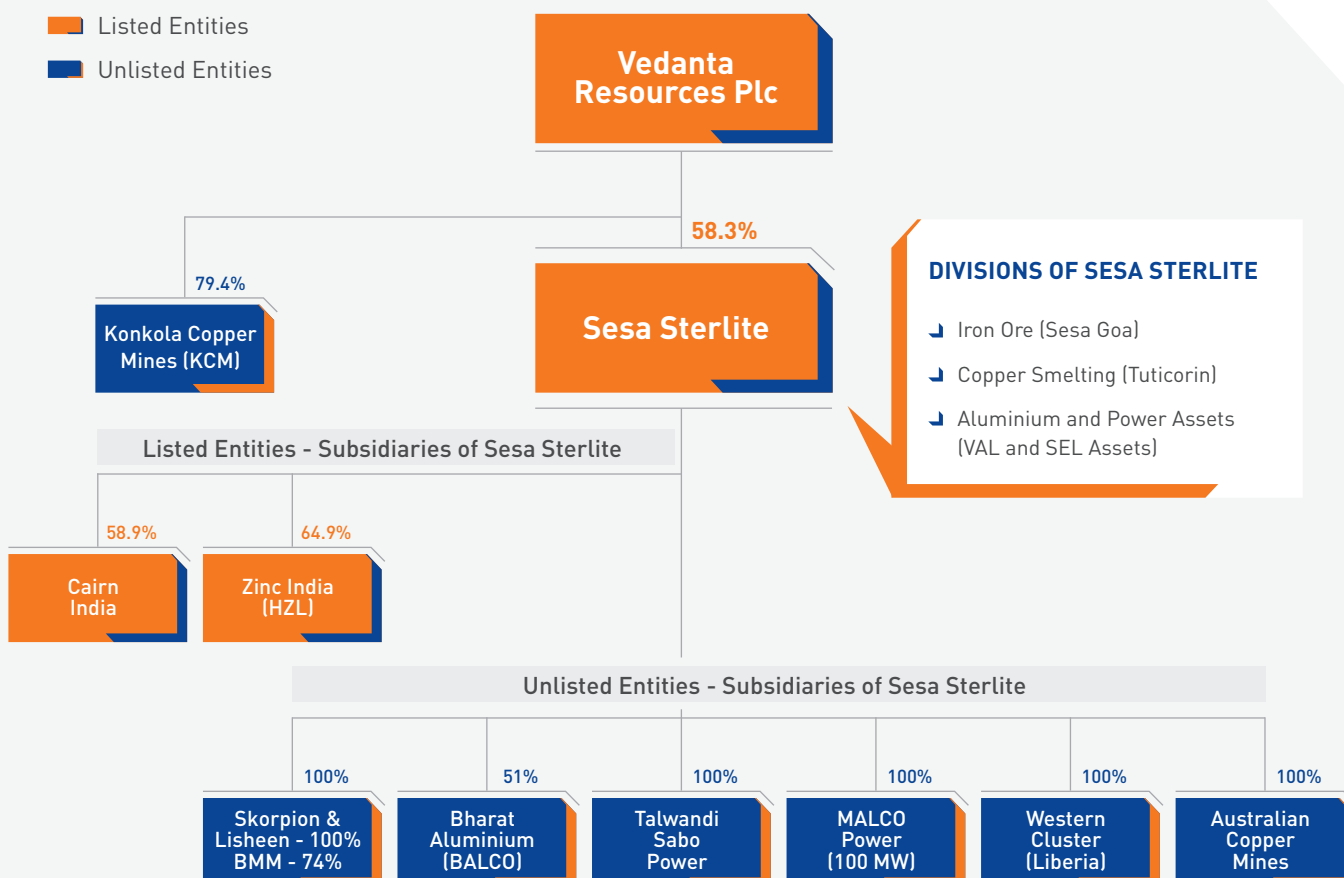


KEY HIGHLIGHTS OF MERGER

- ▶ The merger of Sterlite Industries (India) Limited and Sesa Goa Limited, and the consolidation of the Vedanta Group has created one of the world's largest diversified natural resource majors.
- ▶ Our business primarily involves exploring, extracting and processing minerals and oil & gas.
- ▶ We produce oil & gas, zinc, lead, silver, copper, iron ore, aluminium and commercial power.
- ▶ Sesa Sterlite has a portfolio of large, world-class, low cost, scalable assets in close proximity to high growth markets.
- ▶ We have a presence across India, South Africa, Namibia, Ireland, Australia, Liberia and Sri Lanka.
- ▶ We also have a strong position in emerging markets with around 80% of our revenues from India, China, East Asia, Africa and the Middle East.
- ▶ A diversified portfolio is expected to reduce volatility of earnings through commodity cycles, lowering the cost of capital and enhancing value.
- ▶ The consolidation will generate significant financial and operational synergies.
- ▶ Sesa Sterlite is a subsidiary of Vedanta Resources Plc, a London-listed company.
- ▶ Sesa Sterlite is listed on the Bombay Stock Exchange and the National Stock Exchange in India and has ADRs listed on the New York Stock Exchange.

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ORGANISATION STRUCTURE: POST MERGER

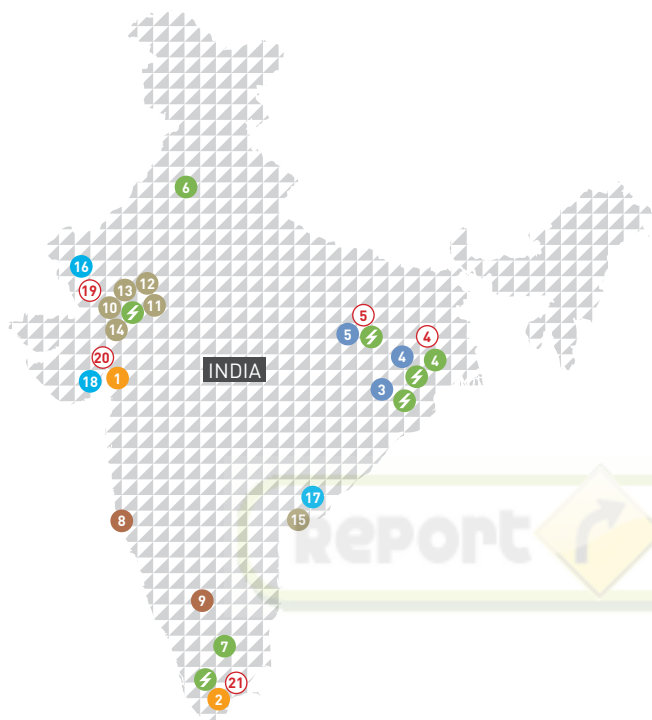


As on March 31, 2014

SESA STERLITE AT A GLANCE

OUR ASSETS

- Copper
- Aluminium
- Power
- Iron Ore
- Zinc
- Oil & Gas
- Projects under development
- ⚡ Captive Power Plant



Copper

- 1 Silvassa refinery
- 2 Tuticorin smelter and refinery

Aluminium

- 3 Lanjigarh mine and refinery (VAL)
- 4 Jharsuguda Aluminium (VAL) and Commercial Power project (SEL)
- 5 Korba smelter

Power

- 4 Jharsuguda Aluminium (VAL) and Commercial Power project (SEL)
- 6 Talwandi Sabo (TSPL)
- 7 MALCO

Zinc-Lead-Silver

- 10 Debari smelter
- 11 Chanderiya Dariba smelters
- 12 Rampura Agucha mine
- 13 Rajpura Dariba and Zawar mine
- 14 Sindesar Khurd mine
- 15 Vizag smelter

Oil & Gas

- 16 Mangala, Rajasthan
- 17 Ravva, Andhra Pradesh
- 18 Cambay, Gujarat

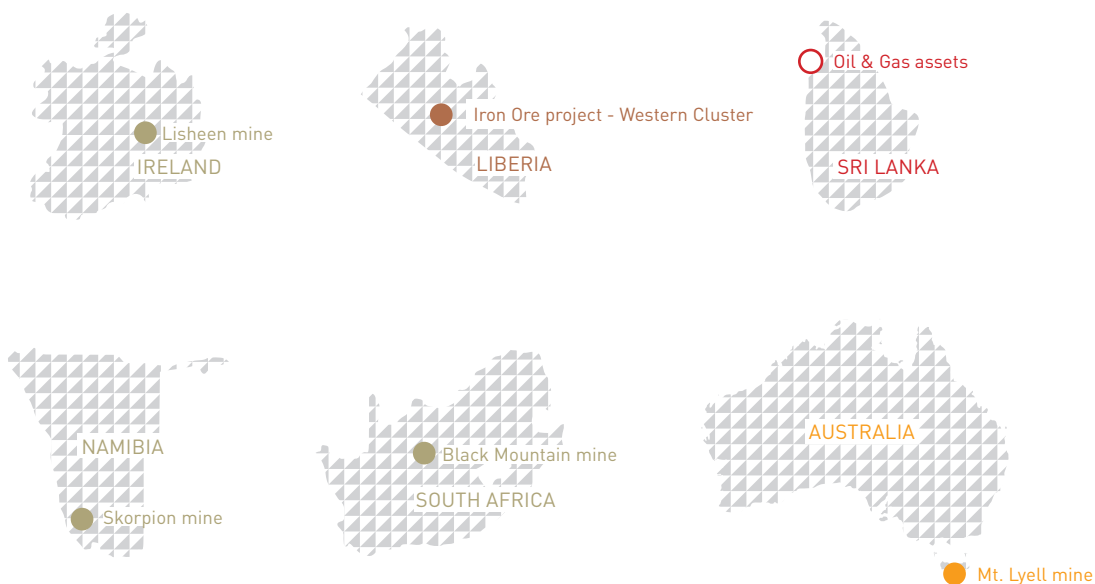
Iron Ore

- 8 Sesa Goa operations, Goa
- 9 Sesa Goa operations, Karnataka

Projects under development

- 4 Jharsuguda Aluminium (VAL) and Commercial Power project (SEL)
- 5 Korba smelter
- 19 Mangala, Rajasthan
- 20 Cambay, Gujarat
- 21 Tuticorin smelter and refinery

REST OF THE WORLD





Zinc International, Skorpion mine

ZINC-LEAD-SILVER

We are the world's second largest integrated zinc producer with operations in India, Namibia, South Africa and Ireland and one of the leading silver producers globally.

Key Strengths

- The world's largest zinc mine, the Rampura Agucha Mine in India.
- One of the world's largest undeveloped zinc deposits at Gamsberg, South Africa.
- Silver-rich ore from the Sindesar Khurd lead-zinc mine in India.

Production Volumes

1,119 kt
Zinc & Lead

350 tonnes
Silver

EBITDA

₹ 8,086 Crore

Cost Curve Position

Zinc India - **1st Quartile**
Zinc Intl. - **2nd Quartile**

R&R Life

Zinc India - **25+ years**
Zinc Intl. - **20+ years**



Cairn India, Oil & Gas assets

OIL & GAS

Cairn India has been operating for close to 20 years, playing an active role in developing India's oil and gas resources. To date, it has opened 4 frontier basins with over 40 discoveries, 31 in Rajasthan alone. It has a portfolio of 9 blocks – one block in Rajasthan, which contains multiple assets, two on the west coast and four on the east coast of India and one each in Sri Lanka and South Africa. Oil & gas is currently being produced from Rajasthan, Ravva & Cambay.

Key Strengths

- Cairn India was rated as the fastest-growing energy company in the world, as per 2012 & 2013 Platts Top 250 Global Energy Company Rankings.
- Ranks among the top 20 independent E&P companies, globally.
- Contributes ~30% of India's current domestic crude production.

Production Volumes

218k boepd

EBITDA

₹ 13,877 Crore

Cost Curve Position

1st Quartile

R&R Life

15+ years

SESA STERLITE AT A GLANCE



Sesa Goa iron ore mine

IRON ORE

Our iron ore mining operations are carried out in the Indian States of Goa and Karnataka. We had acquired iron ore assets in Liberia, West Africa. Iron ore operations in India were affected by state-wide mining ban during the year.

Key Strengths

- └ Total R&R of 431 mt in India.
- └ Over 1 billion tonnes iron ore deposit at Liberia iron ore project assets, West Africa.

Production Volumes

1.5 mt

EBITDA

₹ (230) Crore

Cost Curve Position

1st Quartile

R&R Life

20+ years



Finished product, Tuticorin smelter

COPPER

Our copper business includes operations in India and Australia.

- └ Our copper India operations includes a custom smelter, a refinery, a phosphoric acid plant, a sulphuric acid plant, a copper rod plant and three captive power plants at Thoothukudi in southern India, a refinery and two copper rod plants at Silvassa in western India.

- └ We also own the Mt. Lyell copper mine in Tasmania, Australia. Our Australian mines supply a part of the concentrate requirements of our Indian operations.

Key Strengths

- └ One of the most efficient custom copper smelters in the world.
- └ We are among the top two copper producers in India.

Production Volumes

294 kt

EBITDA

₹ 1,176 Crore
Copper India

Cost Curve Position

2nd Quartile