

"Vedanta Resources Plc Q3 FY17 Conference Call"

February 20, 2017





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Mr. Sunil Duggal – Hindustan Zinc

MR. STEVEN DIN – KCM

MR. ABHIJIT PATI – ALUMINUM, VEDANTA

Mr. KISHORE KUMAR – IRON ORE, VEDANTA

Ms. Deshnee Naidoo - International Zinc

BUSINESS, VEDANTA

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Moderator:

Good Day, Ladies and Gentlemen, and Welcome to the Q3 FY17 Conference Call of Vedanta Resources Plc. As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal the operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Ashwin Bajaj. Thank you and over to you, sir.

Ashwin Bajaj:

Thank you, operator. Ladies and Gentlemen, Good Morning. I am Ashwin Bajaj, Director of Investor Relations for Vedanta Resources. Thank you for joining us to discuss our production results for Q3 of FY2017. Let me introduce our management team on the call; we have with us our CEO -- Tom Albanese; our CFO -- Arun Kumar; we also have several of our business leaders on the line; we have Sudhir Mathur from Cairn India, Sunil Duggal from Hindustan Zinc, Steven Din from KCM, Abhijit Pati from Aluminum; Kishore Kumar from Iron Ore and Deshnee Naidoo from the International Zinc Business.

With that I would like to hand over to Tom.

Tom Albanese:

Thank you, Ashwin. Good Evening, Ladies and Gentlemen. I am pleased to welcome you to Vedanta Resources Third Quarter Production Conference Call. We have seen further improvement in the commodity prices in the last quarter and that strength has continued to the year so far. After 5-years of YoY decline, 2016 is the first year where prices went up higher then it were at the beginning of the year. This is beginning to attract some latent supply capacity across many commodities has been seen before; however, this newly added capacity will likely to be restricted that simply we are not committing to large CAPEX. Next year, probably more on the supply driven story in our sector barring macro shocks. So we begin to see large CAPEX announcement in the sector, will probably continue to see tight OPEX and supporting prices. We have also noted that Chinese recent efforts to restrict the excess capacity in steel and aluminum, should be helpful. Vedanta benefits directly with the strong commodity prices as zinc is about \$2900 per ton and oil has been \$50 per barrel. We drive over 65% of our EBITDA from both these commodities. Our ramp ups at aluminum, power and iron ore progress well during the quarter contributing significantly to EBITDA.

With that, let me take you through some of our third quarter performance numbers: First, focusing on Highlights: On the operations, we continued with the production ramp up across our portfolio. At Zinc India, we delivered the highest ever ore mined metal production. Aluminum progress were slower than estimated due to pot outages, third line of Jharsuguda smelter has commenced ramp up as of December 2016 and is progressing well. At TSPL, the availability was 77% during the quarter. At Oil & Gas, Mangala EOR continues excellent performance. Additional production for polymer injection increased together from 52,000 boepd to 55,000 boepd. At Iron Ore, we achieved full year production at both Goa and Karnataka in January. We were granted additional mining allocation of 3mt at Goa. At KCM, production was lower due to equipment availability and lower grades; however, we are working for restarting the Nchanga underground operations profitably.



Talking about the Financial Highlights: Strong commodity prices and ramp ups helped us generate EBITDA of US\$882 million, with 38% EBITDA margin. Our gross debt has been lower by US 300 million in third quarter. We completed a very successful bond issuance in January, raising a billion dollars as part of our endeavor to extend maturities proactively. The issue received strong demand and was oversubscribed 3 times. The Vedanta Group maintains strong access in capital markets and diversified funding sources. Momentum to credit improvement is helping us; recently S&P have upgraded our grading from B+ with the stable outlook. On the group simplification, the merger with Cairn India is approved by all sets of shareholders in September 2016, we expect transaction to be completed in the first quarter calendar year 2017.

Let me now take you through the performance in each business: On Oil & Gas, our core field continue to deliver long tracking lines production across the asset of 182,000 boepd. Mangala EOR delivered 55,000 bopd in third quarter. Raag gas project is progressing as per the plan. As part of Phase-1, all the 15-mills under hydro frac have been brought on line. Under Phase-1 production, we will increase the 40,000-45,000 million cubic feet per day to the end of the first half for fiscal 2018, which was further increased to 100 billion standard cubic feet per day by the first half of calendar year 2019. Our sales were temporarily suspended due to technical issues between the transporter and buyers. We would like to update that our Rajasthan gas sales commenced from 14th of February, and now in the process of ramp up from the current 5.3 million cubic feet per day. With excellent results from Mangala EOR, we are confidant of enhancing production at Aishwariya and Bhagyam also due to polymer injection program.

Speaking about our exploration activities, outside Rajasthan we are resuming exploration drilling with the commencing of drilling campaign and the continuous patience at Palar Pennar in February. We are excited that we can target three different gas types and all these places have proven to be successful in the continuous KG and Cambay basins. The drilling program is planned to be completed in April 2017.

Moving on to Hindustan Zinc in our Zinc India assets: Before we discuss zinc operations, let me talk a bit about strong zinc fundamental. I have been talking about this for the past year and we certainly see it in the markets. Along zinc, of course, silver has also had a good run in the calendar year 2016. Concentrate markets for zinc have been in deficit, TC/RCs have reached a decade low as smelters are finding it difficult to source concentrate post closure of the mines. Zinc also been in deficit. This deficit combined with gradual increase in demand destroying inventory for LME and from the Shanghai warehouses which are at 6-year lows at the moment.

At Zinc India, mined metal for the quarter was at 276,000 tons, 44% higher sequentially in line with the mine plans. We have also built up some mined metal inventory during the quarter. At SK, we are on track to expand this mine from 3.75 million tons per year to 4.5 million tons in line with the erection completion schedule by the end of the fourth quarter, has been in the shaft collar and head gear foundation was completed during the quarter. The new 1.5 million tons per year mill was commissioned earlier this month in a record time of 14-months. Zawar mill expansion is progressing well and project will be complete by the first quarter of fiscal year



2018. Associated power infrastructure projects are on track to complete by the end of this financial year. Our mined metal and silver volumes for fiscal year 2017 will be higher than previous year; however refined metal production will be a bit lower than the previous year. We are on track to reach 1.2 mtpa capacity of mined metal by fiscal year 2019 with all of our expansion projects progressing satisfactorily.

Moving to Zinc International: Third quarter production was lower mainly to increase upstream material handling challenges to treat wetter than expected ore at Skorpion. Cost of production moved up due to lower volumes at Skorpion. We continue to work towards Skorpion pit extension, anticipated to be commenced in the first quarter of fiscal year 2018. This will extend mine life by 2-years. In line with our commitment to deliver growth, we are excited about Gamsberg project in South Africa. I was at the project site just last week and I am pleased with the progress on the ground. Pre-stripping is well underway. Major mining plant and infrastructure contracts have been awarded. I am glad to share that 75% of the budget capital is now already committed as we speak. First of ore from Gamsberg is expected in mid-calendar 2018 and will ramp up the full capacity of 250,000 tons in about 9-12-months. Gamsberg will come onstream in a deficit zinc concentrate market as expect to generate strong returns from the shareholders.

Moving over to Iron Ore: We achieved our production cap of 5.5 million tons at Goa and 2.3 million tons in Karnataka in January. As we said earlier, we have engaged with the respective state governments for higher allocation and we got incremental production of 3 million tons for Goa fiscal year 2017 and currently reviewing optimally this incremental allocation can be used. We have also been engaged with the Karnataka government for further allocation. Discount for low grade iron ore went higher due to increase in coking coal prices and that seems to remain sticky untill high cost coking coal inventory is cleared in the steel mills. To put this in perspective, although the listed index price for 62% product is up at \$90, our current FOB realization for Goa is probably \$42/ton. Pig Iron production was strong at 154,000, 5% higher than the previous year; however, margin was low due to lower market prices.

Moving to Copper India production was stable in the third quarter with production of 102,000 tons. TC/RC realization for the calendar year 2017 is expected to be US\$0.21/lb, this is about 5% lower than the previous year. Our net cost of conversion improved during the quarter due to stable asset prices. Our Tuticorin copper plant PLF has been low due to lower demand. We are reviewing the expansion of the smelter at Tuticorin by further 404,000 tons per annum and should be able to give an update on this in the coming months.

Now, I move over to KCM, our Zambian Copper business. Integrated production was lower YoY due to lower production from Nchanga underground mine which is placed on managed care and maintenance, a little over year ago, lower trackless equipment availability in mine and throughput constraints at the mills and lower feed from reclaimed tails at Tailings Leach plant. This was partially offset by custom smelting which increased by 11% on YoY basis. We did successfully complete the plant annual shutdown of the smelter and witnessed improved plant availability up to the 98% and with the plant ability to handle feed range greater than 90



tons/hour post the shutdown. Konkola mine production remained impact due to lower fleet availability constraints during the nine months' period. Work is underway to improve the operating productivity levels and mobile fleet availability. We intend to fast track progress on the deeper horizontal level developments with de-watered reserves. At the Tailing Leach Plant (TLP), primary copper production was lower by 10% primarily due to lower feed from the clienteles and maintenance challenges. We are working on maintenance outsourcing model to improve the asset utilization of TLP.

At Nchanga, copper concentrate production was lower primarily due to Nchanga underground operations have been put on the care of maintenance since November of 2015. However, this quarter we did commence a trial mining at the Nchanga underground mine and initial results recovery and mining productivity are promising and are currently delivering average monthly ore of 75,000,-80,000 tons and we expect to ramp up the annual ore production in excess of 2 million tons with copper production of 20 mtpa. In order to optimize our power cost, we have been installing HFO fired boilers at Nchanga refinery. Boilers are on site and installation and commissioning, activities are currently underway and expected to be concluded by the fourth quarter of fiscal 2017.

Copperbelt Energy Corporation has proposed a revised tariff with the industry effective from 1st of January 2017 which would be lower than the tariffs for us announced in January 2016 and we are in discussion with CEC to finalize this tariff.

On the ZCCM legal case, in January 2017, KCM has successfully signed off a consent order with ZCCM to settle its price participation liability which outlines maintenance schedule of repayment as mentioned in the release as the progressive step towards amicable settlement in the case.

On tax front in Zambia, recent tax proposals to levy an import duty of 7.5% on concentrate has been rolled back which is the decision in the right direction to enhance smelter capacity utilization and job creation and sustenance in the country.

Overall, as I stated earlier, we are committed to deliver a turnaround of KCM and our key focus areas remain Konkola turnaround, processing stock piled refractory ores and maximizing custom smelting production. A dedicated team is working long-term to optimize production volume and workable implementation strategies.

On Aluminum, our volume have been ramping up. Progress was lower than expected. The power outage in the second quarter impacted the first line of 1.25 mtpa Jharsuguda-II smelter. Temporarily the line was impacted by transformer failures in mid-January. These were new transformers and assessment is ongoing to determine the cause of this failure. Fortunately, we had no injuries from those incidents; however, we are very disappointed in working towards stable running of the operations. Rectification work is in progress, 80 pots are currently operation on the first line and full ramp up is expected by the first quarter of fiscal year 2018.



Regarding the other lines of Jharsuguda-II, the second line was fully ramped up, the third line has commenced ramp up in December 2016 and expected to be fully ramped up by the second quarter of fiscal year 2018. At BALCO, the rectification work has progressed well and full ramp up is expected in the first quarter of fiscal 2018.

On realizations, we did benefit from the higher aluminum prices during the quarter. MJP remain similar to the second quarter levels at \$75/ton; however, they started increasing to up to \$98/ton in the months of January and February. We delivered strong EBITDA margin of over \$340/ton, which is the highest we have seen in the last 7-quarters and we continue to work with the Odisha state government for allocation of bauxite and commencement of laterite mining. We have seen encouraging developments which we hope will drive expansion at our Lanjigarh alumina refinery.

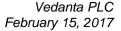
Moving over to Power: At TSPL, the full plant is now commissioned and we have achieved availability of 77% and we will target availability of 80% for this fourth quarter. At BALCO 600 MW power plant, the PLF was at 55% due to the weak spot power market; however, with long-term PPAs about 60% of the 600 MW capacity which are being substantially met and serviced.

With regard to coal sourcing, we have been reducing our dependence on imported coal at BALCO and Jharsuguda despite increasing coal requirements on smelter ramp ups. In fact, in this quarter, we sourced all our coal requirements at these two locations domestically and this trend is likely to continue in the coming quarter as well despite smelter ramp ups at both locations. Further, along with declining coal e-auction prices, our own weighted average coal cost have improved lower in the last few quarters and should remain relatively unaffected by the volatile international seaborne coal price.

I will now hand over to Arun who will take you through the "Financials." Arun, over to you.

Arun Kumar:

Thanks, Tom and Good Morning, everyone. As highlighted by Tom, we have delivered strong business and financial performance during the quarter. Current quarter EBITDA stands at \$882 million, 25% higher QoQ and 79% higher YoY and the EBITDA margin excluding custom smelting was robust at 38% largely driven by higher volumes from iron ore, zinc and aluminum. Our cost saving program continues to sustain and we are on track for the overall delivery of 1.3 billion of savings by FY'19 on a cost base FY'15. In Jan 2017, we issued a billion dollar bond with 5.5 years tenure and proactively refinanced part of our 2018 and 2019 bond maturities. We received strong investor interest from across all geographies for the bond issue, underlining our access to the capital markets and diversified funding sources. This is also in line with our interim results guidance of proactively addressing debt maturities well in advance and de-levering where feasible. We intend to continue to evaluate such opportunities to term out upcoming maturities, reduce interest cost and extend the average maturity of our debt. During the quarter, Vedanta Limited, our principal operating subsidiary at India, repaid intercompany loan of 0.3 billion and the balance 0.1 billion was also repaid in January '17. These funds are being used to prepay Vedanta Plc's bank loan maturities during Q4 FY'17. Our debt maturities at Vedanta Limited





for FY'17 are mostly short-term debt which is as usual rolled over with relatively low interest rates. As at 31st December 2016, gross debt was \$16 billion, lower by about 300 million compared to the interim, primarily on account of repayment of short-term loan taken by Hindustan Zinc to pay special dividend earlier in the year during April '16. As Tom mentioned earlier, we expect to close the Vedanta Limited-Cairn merger this quarter and post that Vedanta Limited will announce its dividend policy on successful completion.

In a nutshell, focus on generating increasing free cash flows with disciplined capital allocation, de-levering the balance sheet with strong liquidity and smart refinancing, consistently delivering on cost savings and completing the merger in this quarter, continue to remain a key financial priorities.

Back to Tom for the closing remarks.

Tom Albanese:

Thanks, Arun. Before we start moving to Q&A, I would like to remind you some of the company strategic priorities which remains same. We continue to focus on the ramp up of our assets. We are generating increasing free cash flow and with relentless focus on cost of managing working capital, we are deleveraging our balance sheet. Simplification of the group structure continues to be a priority. We expect to complete the merger of Cairn by end of this quarter. On the completion of merger, we expect to announce dividend policy for Vedanta Limited for the merged entity. Thank you. Operator, over to you for questions.

Moderator:

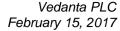
Thank you very much. We will now begin with the Question-and-Answer Session. The first question is from the line of Varun Ahuja from JP Morgan. Please go ahead.

Varun Ahuja:

Just a couple of questions; one on the production side if you could guide whether Cairn India's CAPEX maintained at this low level, whether output can be maintained for FY18 as well, and whether you look to increase CAPEX as oil prices have recovered somewhat. Associated with that is if you could guide on the current reserve life for the Cairn India oilfields? On the financial side, if you could just guide on the plan for remaining bond maturities, I think about \$1 billion is still left. Whether you would still look to come back to the market or at least are closely following that. Any update on the Hindustan Zinc buyback program? I just want to understand from a regulatory perspective, whether the government can effectively participate in that leading to an increase in shareholding by Vedanta Limited and other minority shareholders?

Tom Albanese:

I will make a quick comment on oil & gas, CAPEX, production and then ask Sudhir Mathur, our CEO, Oil& Gas business to talk about that. I think we will leave Arun to talk about the bond maturities and then I will ask Sunil Duggal, CEO of Hindustani Zinc to comment on Hindustan Zinc. First, I would say though on Hindustan Zinc that what we see in the paper is generally what we know, it has been some process where they are saying in the public domain in terms of what they say, haven't heard anything new to report in terms of Hindustan Zinc, the government's intention with respect to Hindustan Zinc would maybe. On Oil & Gas, just as a reminder, we have given guidance for next year's capital between \$100 million and \$250 million based upon four projects that the Cairn business team is currently talking to the Government of





India and ONGC, our Indian joint venture partner for production and that should keep our position stabilized and increasing production. But Sudhir, maybe you want to go through the oil & gas, oil production and capital in more detail.

Sudhir Mathur:

As Tom mentioned, our reserve line is about 7-years at the moment and our capital guidance for next year stands between \$100 and \$250 million which is going to be spread over four projects; one is the tight gas project in the southern part at Raageshwari; two enhance polymer projects after success of Mangala, that it is going to be implemented in the fields of Aishwariya and Bhagyam and lastly we have a pretty good tight oil reservoir that we want to work on which is on top of the current Aishwariya field. So we should be giving out more details guidance in the next Vedanta Call.

Arun Kumar:

As far as further bond maturities are concerned, as I mentioned earlier, we will continue to evaluate all opportunities to term out the upcoming maturities and we will do it proactively. So we keep continuing to look at the markets. So that will be a very general response. Anything specific would be market-sensitive.

Sunil Duggal:

As far as the disinvestment/buyback is concerned, there is no discussion which has happened in the board on this matter, but we understand from the media that the government is taking the legal view on this both for disinvestment and the buyback and we also have learned from the media that they will come back soon on this. So till they take the call and we have official discussion in the board. It may not be possible for us to comment on let you anything what we have learnt from the media.

Moderator:

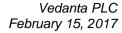
Thank you. The next question is from the line of Anna Mulholland from Deutsche Bank. Please go ahead.

Anna Mulholland:

I had a couple of questions about KCM and then one quick one in Iron Ore. On the Copper Zambia side, can you just give us a bit more detail around the equipment availability issues and the low-grade areas that you are going through? Those were the two reasons that I can understand that you had a more difficult quarter operationally. What is the sort of time frame and plan for resolving those particular issues? The other question on Copper Zambia is around the structure. Does it still make sense for those assets to sit within Plc structure? Are you actively looking at moving them into the Vedanta Limited structure? My final question is on iron ore inventories. Can you let us know how much inventory you have sitting within Goa and Karnataka just so that I can understand what sales versus production might look like in the following months?

Steven Din:

First of all, on equipment availability, the areas where the equipment availability has affected production are mainly at the Konkola underground and also some plant reliability at the tailings leach plant. Part of this has been due to some financing issues where if you like we were not able to maintain the maintenance levels to the rate at which they should have been. But Vedanta has assisted by putting some money into the business and we are already seeing those spare parts now coming through, we are having a very fruitful discussions with the OEM suppliers in particular such companies such as Sandvik and Atlas Copco who are the main suppliers of our





underground fleet at Konkola. Also, as far as the tailings leach plant, company such as weir pumps are also supplying all of these spare parts that are required to get availabilities reliability up. So we are already seeing positive impacts of those players coming in and it is going to take a few months for us to be able to get to the levels of production that we have enjoyed in the past and then obviously to exceed them on the growth plan that we have in place for KCM. The other question in relation to low grade. The low grade has been mainly coming out of the stock piles. Now, the stock piles that we have is refractory ore. We generally like to take about 0.5% copper grade into the tailings leach plant. Now, we have had to remove some overburden to be able to get to the higher grades but that is out of the way now as an obstacle and we expect the tailings leach plant to be moving once again towards the over 5,000 tons of SX/EW copper each month. I hope that helps. I think the third question, Tom, was around the structure of KCM and also whether it is in terms of interaction with Plc and KCM, maybe Arun can take that.

Arun Kumar:

Really KCM continues to be an operating subsidiary of Plc, there are no plans or anything on the paper regarding any structural changes there.

Kishore Kumar:

Anna, on the iron ore side, closing stock question regarding how much inventory. In Karnataka, we are unlikely to carry any inventory which is about 2.3 million tons DC. As far as Goa is concerned, we have got an additional DC of 3 million tons and we had a substantial opening stock. So we are expecting to carry anywhere 3-4 million tons of closing stock in Goa.

Moderator:

Thank you. The next question is from the line of Jatinder Goyal from Citigroup. Please go ahead.

Jatinder Goyal:

Two quick questions; firstly, on zinc concentrate at Zinc India side. Would you be able to sell the entire surplus that gets generated given refine metal volume will be lower than mine metal or would you stockpile some of the concentrate? On Goa, do you have much visibility into FY'18 on the additional 3 million tons per permit, should we still look at 5.5 as a baseline for next year?

Sunil Duggal:

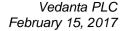
So as far as the concentrate is concerned, because we have not been able to operate the smelters at a level that we can evacuate the total quantity of the concentrate which is piled up. So what we are thinking is that we will sell some of the concentrate quantity maybe around 30kt of the MIC, but we will also carry out certain inventory into the next year so that we can run the smelters at a debottleneck capacity which we are doing currently and test our smelters going forward. So some of the inventory will be carried forward but some of the MIC would be sold to the extent of around 30 kt in O4.

Tom Albanese:

If I can just comment, Sunil, that we have quite unusually low TC/RC, so this is opportunistic. You may want to comment on the market conditions.

Sunil Duggal:

Tom, you are right, the TCs currently what we are also getting the quotes is \$25-30 which is 10-years low, so it is a time to encash the opportunity also at this point of time and that is why we have taken a call that instead of carrying entire inventory into the next year we will encash the opportunity by selling around 30 kt of the MIC this year.





Kishore Kumar: Tom, I think we just spoke on the inventory as well as the stock that we are carrying. We have

mentioned that in Karnataka, we would not have any inventory, whereas in Goa, we will carry inventory of about 3-4 million tons because we got the extra EC in the last minute and has given the production guidance that we will achieve our EC capacity of 3 million tons that has been

given, 8.9 guidance on Goa.

Jatinder Goyal: Will that additional 3 million tons come in FY'18 as well?

Kishore Kumar: FY'18 is too premature but all we can say is that we expect the cap to be enhanced in FY'18

from the current 20 million tons cap to go to about 30. So we will have to carry on watching this

space as Supreme Court decides on the expert committee report.

Moderator: Thank you. The next question is from the line of Pavitra Sudhindran from Nomura. Please go

ahead.

Pavitra Sudhindran: I have a couple of questions; first one is on KCM. If you could just help us understand what the

all in cash cost are currently, that is including interest, taxes and CAPEX. With regard to the debt at KCM if I understand correctly you would have had some repayments in the December quarter. So if you could just help us understand if those repayments were made or if the debt at KCM has been restructured? If so if you could elaborate on the current repayment schedule there at KCM. Second question is on the merger. I understand that there was a hearing at the NCLT on the 15th. If you could just give us some information as to how that went and what issues came

up there if any and what are the next steps from here?

Tom Albanese: Steven will take those points on all in cash cost and the payments for the current at KCM and

then on the merger, it is just very administrative and process at this stage. Sunil, if he has

anything further to add to that or Arun please.

Steven Din: On the first point in terms of all in cash cost, at C1 level, it is US\$0.176/pound and at C2 level

which would include the royalty, it is US\$0.189/pound. On the debt repayments, yes, all the

repayments have been made according to the new schedule that was agreed with the banks.

Pavitra Sudhindran: Sorry, this is a revised schedule agreed last quarter or it is the same as what I see in the March

'16 reporting?

Steven Din: It is the same schedule from the March 2016 reporting.

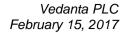
Tom Albanese: Sudhir, do you want to talk about the merger and any hearings, and maybe Arun if you may add

a comment?

Arun Kumar: As you are aware in India, given the Companies Act 2013, all the companies act related events,

cases including mergers and acquisitions have shifted from high court to new tribunal called the (NCLT) National Company Law Tribunal. So, we are with NCLT now and as you rightly

observed on 15th we had a hearing, I would say it is largely administrative in nature, we have a





next hearing coming up this week. So there could be one or two hearings and we expect that we will finish the process during this quarter. So there is nothing very significant to report from those hearings.

Sudhir Mathur: I think all the process that is getting consummated, everybody is also going through the paper

work, and as stated earlier we are very confident that the merger will consummate before March

31st this year.

Moderator: Thank you. Ladies and gentlemen that the last question. I now hand the conference over to

Ashwin Bajaj for closing comments.

Ashwin Bajaj: Thanks, ladies and gentlemen for joining us. If you have any further questions please feel free

to contact us.

Moderator: Thank you. On behalf of Vedanta Resources Plc, that concludes this conference. Thank you for

joining us and you may now disconnect your lines.