

Consolidated Statement of Changes in Equity

US\$ million	Attributable to equity holders of the Company							Total	Minority interests	Total equity
	Share capital	Share premium	Share-based payment reserves	Convertible bond reserve	Hedging reserves	Other reserves ¹	Retained earnings			
At 1 April 2007	28.8	18.7	7.3	119.5	(29.7)	661.0	1,521.3	2,326.9	1,824.5	4,151.4
Profit for the period	-	-	-	-	-	-	879.0	879.0	1,126.5	2,005.5
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	963.0	963.0
Disposal of a subsidiary	-	-	-	-	-	-	-	-	(9.7)	(9.7)
Conversion of convertible bond	-	1.3	-	(0.2)	-	-	-	1.1	-	1.1
Convertible bond transfers	-	-	-	(3.6)	-	-	3.6	-	-	-
KCM call option (note 37)	-	-	-	-	-	(213.2)	-	(213.2)	-	(213.2)
Sterlite ADR offering ³	-	-	-	-	-	-	698.5	698.5	1,270.9	1,969.4
Exchange differences on translation of foreign operations	-	-	-	-	1.1	228.9	-	230.1	222.8	452.8
Transfers ²	-	-	-	-	-	1,259.1	(1,259.1)	-	-	-
Movement in fair value of cash flow hedges (note 27)	-	-	-	-	19.5	-	-	19.5	17.2	36.7
Movement in fair value of financial investments (note 17)	-	-	-	-	-	(3.2)	-	(3.2)	(1.1)	(4.3)
Dividends paid	-	-	-	-	-	-	(104.3)	(104.3)	(53.5)	(157.8)
Exercise of LTIP/STIP awards	-	-	(4.5)	-	-	-	4.5	-	-	-
Recognition of share-based payment (note 30)	-	-	12.8	-	-	-	-	12.8	-	12.8
At 31 March 2008	28.8	20.0	15.6	115.7	(9.1)	1,932.6	1,743.5	3,847.1	5,360.6	9,207.7

US\$ million	Attributable to equity holders of the Company									Minority interest	Total equity
	Share capital	Share premium	Treasury Shares	Share-based payment reserves	Convertible bond reserve	Hedging reserves	Other reserves ¹	Retained earnings	Total		
At 1 April 2008	28.8	20.0	–	15.6	115.7	(9.1)	1,932.6	1,743.5	3,847.1	5,360.6	9,207.7
Profit for the period	–	–	–	–	–	–	–	219.4	219.4	681.1	900.5
Conversion of convertible bond	–	1.1	–	–	(0.2)	–	–	–	0.9	–	0.9
Convertible bond transfers	–	–	–	–	(4.0)	–	–	4.0	–	–	–
KCM call option (note 37)	–	–	–	–	–	–	213.2	63.8	277.0	(233.1)	43.9
Exchange differences on translation of foreign operations	–	–	–	–	–	4.6	(1,023.8)	–	(1,019.2)	(1,176.1)	(2,195.3)
Transfers ²	–	–	–	–	–	–	59.7	(59.7)	–	–	–
Movement in fair value of cash flow hedges (note 27)	–	–	–	–	–	(35.1)	–	–	(35.1)	6.0	(29.1)
Movement in fair value of financial investments (note 17)	–	–	–	–	–	–	(12.8)	–	(12.8)	–	(12.8)
Dividends paid	–	–	–	–	–	–	–	(118.8)	(118.8)	(56.1)	(174.9)
Exercise of LTIP/STIP awards	0.1	–	–	(14.7)	–	–	–	14.7	0.1	–	0.1
Purchase of Treasury Shares	–	–	(80.3)	–	–	–	–	–	(80.3)	–	(80.3)
Additional investment in subsidiaries	–	–	–	–	–	–	–	21.2	21.2	(123.7)	(102.5)
Recognition of share-based payment (note 30)	–	–	–	13.1	–	–	–	–	13.1	–	13.1
At 31 March 2009	28.9	21.1	(80.3)	14.0	111.5	(39.6)	1,168.9	1,888.1	3,112.6	4,458.7	7,571.3

1 Other reserves comprise:

	Currency translation reserve	Merger reserve	Investment revaluation reserve	General reserves	Other	Total
At 1 April 2007	48.7	4.4	3.4	604.5	–	661.0
Exchange differences on translation of foreign operations	228.9	–	–	–	–	228.9
Revaluation of available-for-sale investments	–	–	(3.2)	–	–	(3.2)
KCM call option	–	–	–	–	(213.2)	(213.2)
Transfer from retained earnings ²	–	–	–	1,259.1	–	1,259.1
At 31 March 2008	277.6	4.4	0.2	1,863.6	(213.2)	1,932.6
Exchange differences on translation of foreign operations	(1,023.8)	–	–	–	–	(1,023.8)
Revaluation of available-for-sale investments	–	–	(12.8)	–	–	(12.8)
KCM call option	–	–	–	–	213.2	213.2
Transfer from retained earnings ²	–	–	–	59.7	–	59.7
At 31 March 2009	(746.2)	4.4	(12.6)	1,923.3	–	1,168.9

2 Under Indian law, a general reserve is created through a year-on-year transfer from the Income Statement. The purpose of these transfers is to ensure that distributions in a year are less than the total distributable results for the year. The general reserve becomes fully distributable in future periods.

3 In June 2007, Sterlite listed on the New York Stock Exchange and raised US\$2,016.0 million (before expenses). The offering resulted in a reduction of Vedanta's shareholding in Sterlite from 75.98% to 59.87%. This reduction has not resulted in any change in control and hence Sterlite continues to be consolidated in Vedanta's consolidated financial statements. This reduction has been accounted in Vedanta's consolidated financial statements as an equity transaction. The carrying amount of the minority interest has been adjusted to reflect the change in Vedanta's interest in Sterlite's net assets. The difference between the amount by which the minority interest is adjusted and the net consideration received of US\$1,969.4 million is recognised directly in equity and attributed to equity holders of Vedanta.

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