

ASSURANCE STATEMENT



The Management and Board of Directors

Vedanta Resources Plc

16th Berkeley Street, London, United Kingdom, W1J 8DZ

INDEPENDENT LIMITED ASSURANCE STATEMENT

KPMG in India (KPMG) was engaged by Vedanta Resources Plc ('the Company' or 'Vedanta') to provide an independent assurance on its Sustainability Report for FY 2016-17 ('the Report'). The Report is prepared by the Company based on Global Reporting Initiative (GRI) G4 Guidelines 'in-accordance - core' disclosure criteria for sustainability reporting.

The development of Report, its content, identification of key material issues, engaging with stakeholders is the sole responsibility of the management of the Company. KPMG's responsibility is to provide limited assurance on the Report content as described in the scope of assurance.

REPORTING CRITERIA

Vedanta applies its sustainability performance reporting criteria based on Sustainability Reporting Guidelines (G4) of Global Reporting Initiative (GRI) including the Mining and Metals and Oil & Gas Sector Disclosures, National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG) framed by the Ministry of Corporate Affairs (MCA), Government of India, United Nations Global Compact (UNGC) principles, International Council on Mining and Metals (ICMM) and Sustainable Development Goal frameworks for the Company as detailed in the 'Scope, Boundary and Limitations'.

ASSURANCE STANDARDS USED

We conducted limited assurance in accordance with the requirements of International Federation of Accountants (IFAC), International Standard on Assurance Engagement [(ISAE) 3000, (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information. Under this standard, we have reviewed the selected information presented in the Report against the criteria of relevance, completeness, reliability, neutrality and understandability.

SCOPE, BOUNDARY AND LIMITATIONS OF ASSURANCE

The Assurance has been provided for sustainability performance disclosures presented by Vedanta in its Report for the period 01 April 2016 to 31 March 2017. Our Scope of assurance included verification of the sample data and information on material aspects reported at the following units/locations and Corporate office at Gurgaon:

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| • Vedanta Limited (Jharsuguda smelter & power plant, Orissa) | • Zinc International (Konkola Copper Mines, Zambia) |
| • Hindustan Zinc Limited (Chanderiya Lead Zinc Smelter, Rajasthan) | • Hindustan Zinc Limited (Rajpura Dariba Mines & Smelter, Rajasthan) |
| • Hindustan Zinc Limited (Rampur Agucha, Rajasthan) | • Cairn India Ltd. (Mangla Processing Terminal) |
| • Vedanta Ltd. - Sesa Iron Ore (Value Added Business, Goa) | • Cairn India Ltd. (Suvali Terminal) |
| • Vedanta Ltd. - Sesa Iron Ore, (Codli Mines, Goa) | • Vedanta Resources Plc (Corporate Office, Gurgaon) |
| • Cairn India Ltd. (Rageshwari Gas Terminal) | • Hindustan Zinc Limited (Corporate Office, Udaipur) |
| • Cairn India Ltd. (Ravva Onshore) | • Cairn India Limited (Corporate Office, Gurgaon) |
| • Cairn India Ltd. (Bhagam field) | |

The assurance scope excludes:

- Data and information outside the defined reporting period and boundary;
- The Company's financial performance;
- The Company's statements that describe expression of opinion, belief, aspiration, expectation, aim or future intention and assertions related to Intellectual Property Rights; and
- Aspects of the report other than those mentioned below;

The General and Specific Standard Disclosures subject to assurance were as follows:

General Standard Disclosures

- **Strategy and Analysis:** G4-1
- **Organizational Profile:** G4-3 to G4-16
- **Identified Material Aspects and Boundaries:** G4-17 to G4-23
- **Stakeholder Engagement:** G4-24 to G4-27
- **Report Profile:** G4-28 to G4-33
- **Governance:** G4-34
- **Ethics and Integrity:** G4-56

Specific Standard Disclosures

- **Environment:** Energy (G4 EN3, G4 EN5, G4 EN6, G4 OG2, G4 OG3) | Water (G4 EN8, G4-EN10) | Biodiversity (G4 EN11, G4-EN14) | Emissions (G4 EN15, G4 EN16, G4 EN18, G4 EN21) | Effluents and Waste (G4 EN22 to G4 EN24, OG-5, OG-7, G4 MM3)
- **Labor Practices and Decent Work:** Employment (G4 LA1 to G4 LA3) | Occupational Health and Safety (G4 LA6) | Training & Education (G4 LA9 to G4 LA11) | Diversity and Equal Opportunity (G4 LA12)
- **Human rights:** Non-discrimination (G4 HR3) | Child Labor (G4 HR5) | Forced or Compulsory Labor (G4 HR6)
- **Society:** Local Communities (G4-SO1, G4-SO2)

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METHODOLOGY ADOPTED FOR ASSURANCE

Our assurance processes involve performing procedures to obtain evidence about the reliability of specified performance information. The nature, timing and extent of procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the selected sustainability disclosures whether due to fraud or error. In making those risk assessments, we have considered internal controls relevant to the preparation of the Report in order to design assurance procedures that are appropriate in the circumstances.

We have obtained sample evidence, information and explanations that were considered necessary in relation to the assurance scope and have arrived at conclusions mentioned below. Our work included a range of evidence-gathering procedures including:

- Assessing that the report is prepared in accordance with the Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI G4 - in accordance "Core" criteria).
- Reviewing the Report to ensure that there is no misrepresentation of disclosures as per scope of assurance and our findings.
- Reviewing the materiality and stakeholder engagement framework deployed at Vedanta.
- Understanding the appropriateness of various assumptions used for estimation of data by Vedanta.
- Assessing the systems used for data collection and reporting of the General Standard Disclosures and Specific Standard Disclosures of material aspects as listed in the assurance scope above.
- Verifying systems and procedures used for quantification, collation and analysis of sustainability performance indicators included in the Report.
- Testing on a sample basis, the evidence supporting the data and information.
- Holding discussion with senior executives at the plant locations and at the corporate office to understand the risks and opportunities from a sustainability perspective including the strategy that Vedanta has adopted to address the same.
- Assessing data reliability and accuracy.
- Verifying select key performance data through site visits to operational locations and corporate office for:
 - Testing reliability and accuracy of data on a sample basis.
 - Assessing stakeholder engagement process through interactions with relevant internal stakeholders and review of related documentation.
 - Limited review of the materiality assessment process
 - Reviewing the processes deployed for collection, compilation and reporting of sustainability performance indicators at corporate and plant level.

Appropriate documentary evidence was obtained on a sample basis to support our conclusions on the information and data verified. Where such documentary evidence could not be collected due to sensitive nature of information, our team verified the same at Vedanta's premises.

CONCLUSIONS

We have reviewed the Sustainability Report of Vedanta. Based on our review and procedures performed as described above, nothing has come to our attention that causes us not to believe that the sustainability data and information presented in the Report is fairly represented in line with the identified material issues and is in accordance with the sustainability reporting guidelines (G4) of the Global Reporting Initiative.

We have provided our observation to the company in a separate management letter. These, do not, however, affect our conclusions regarding the Report.

INDEPENDENCE

The assurance was conducted by a multidisciplinary team including professionals with suitable skills and experience in verifying environmental, social and economic information in line with the requirements of ISAE 3000 (Revised) standard. Our work was performed in compliance with the requirements of the IFAC Code of Ethics for Professional Accountants, which requires, among other requirements, that the members of the assurance team (practitioners) as well as the assurance firm (assurance provider) be independent of the assurance client, in relation to the scope of this assurance engagement, including not being involved in writing the Report. The Code also includes detailed requirements for practitioners regarding integrity, objectivity, professional competence and due care, confidentiality and professional behavior. KPMG has systems and processes in place to monitor compliance with the Code and to prevent conflicts regarding independence. The firm applies ISQC 1 and the practitioner complies with the applicable independence and other ethical requirements of the IESBA code.

RESPONSIBILITIES

Vedanta is responsible for developing the Report contents. The Company is also responsible for identification of material sustainability issues, establishing and maintaining appropriate performance management and internal control systems and derivation of performance data reported. This statement is made solely to the Management of Vedanta in accordance with the terms of our engagement and as per scope of assurance. Our work has been undertaken so that we might state to Vedanta those matters for which we have been engaged to state in this statement and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Vedanta for our work, for this Report, or for the conclusions expressed in this independent assurance statement. The assurance engagement is based on the assumption that the data and information provided to us is complete and true. We expressly disclaim any liability or co-responsibility for any decision a person or entity would make based on this assurance statement. By reading this assurance statement, stakeholders acknowledge and agree to the limitations and disclaimers mentioned above.



Santhosh Jayaram
Partner

KPMG
16 June 2017