

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

\$ 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*	Retained earnings			
AT 1 APRIL 2006	28.7	18.6	4.1	123.3	(29.1)	213.1	1,058.4	1,417.1	921.7	2,338.8
Profit for the period							934.2	934.2	877.5	1,811.7
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	10.2	10.2
Gain on acquisition of subsidiary	-	-	-	-	-	-	0.3	0.3	-	0.3
Conversion of convertible bond	-	0.1	-	-	-	-	-	0.1	-	0.1
Convertible bond transfer	-	-	-	(3.8)	-	-	3.8	-	-	-
Exchange differences on translation of foreign operations	-	-	-	-	-	51.6	-	51.6	53.9	105.5
Transfers**	-	-	-	-	-	393.5	(393.5)	-	-	-
Movement in fair value of cash flow hedges and financial investments	-	-	-	-	(0.6)	2.8	-	2.2	3.0	5.2
Dividends paid	-	-	-	-	-	-	(84.3)	(84.3)	(41.8)	(126.1)
Recognition of share-based payment	-	-	5.6	-	-	-	-	5.6	-	5.6
Exercise of LTIP awards	0.1	-	(2.4)	-	-	-	2.4	0.1	-	0.1
AT 31 MARCH 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

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY CONTINUED

\$ 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*	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 (note 32)	-	-	-	-	-	-	-	-	963.0	963.0
Disposal of a subsidiary (note 32)	-	-	-	-	-	-	-	-	(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 36)	-	-	-	-	-	(213.2)	-	(213.2)	-	(213.2)
Sterlite ADR offering***	-	-	-	-	-	-	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**	-	-	-	-	-	1,259.1	(1,259.1)	-	-	-
Movement in fair value of cash flow hedges (note 26)	-	-	-	-	19.5	-	-	19.5	17.2	36.7
Movement in fair value of financial investments (note 16)	-	-	-	-	-	(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 29)	-	-	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

* Other reserves comprise:

	Currency translation reserve	Merger reserve	Investment revaluation reserve	General reserves	Other	Total
AT 1 APRIL 2006	(2.9)	4.4	0.6	211.0	-	213.1
Exchange differences on translation of foreign operations	51.6	-	-	-	-	51.6
Revaluation of available-for-sale investments	-	-	2.8	-	-	2.8
Transfer from retained earnings**	-	-	-	393.5	-	393.5
AT 31 MARCH 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**	-	-	-	1,259.1	-	1,259.1
AT 31 MARCH 2008	277.6	4.4	0.2	1,863.6	(213.2)	1,932.6

** 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.

*** In June 2007, Sterlite listed on the New York Stock Exchange and raised \$ 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 \$1,969.4 million is recognised directly in equity and attributed to equity holders of Vedanta.