

Unaudited Consolidated Results for the Second Quarter and Six Months Ended 30 September 2012

Goa, 26 October 2012: Sesa Goa Limited ("SGL" or the "Company") hereby announces its unaudited consolidated results for the second quarter ("Q2") and six months ("H1") ended 30 September 2012.

Unaudited Consolidated Financial Summary

(in ₹ crores, except as stated)

Particulars	Quarter ended 30 September		Six months ended 30 September	
	2012	2011	2012	2011
Net Sales / Income from operations	294	790	2,027	2,899
Net Profit (PAT) Incl. Associate Income	522	1	1,486	842
Earnings Per Share (₹)*				
Basic	6.01	0.01	17.10	9.69
Diluted	5.36	0.01	16.98	9.69

– *Non annualised

Unaudited Consolidated Production & Sales Summary

(in million dry metric tonnes, or as stated)

Particulars	Quarter ended 30 September		Six months ended 30 September	
	2012	2011	2012	2011
IRON ORE¹				
Production of Saleable Ore	0.4	1.1	3.7	5.5
Goa	0.4	0.7	3.7	4.6
Karnataka	0.0	0.5	0.0	0.9
Sales	0.2	1.6	3.1	5.8
Goa	0.2	0.8	3.0	4.0
Karnataka ²	0.0	0.7	0.1	1.8
Production ('000 tonnes)				
Pig Iron	82	63	121	126
Met Coke	83	65	146	128
Sales ('000 tonnes)				
Pig Iron	73	65	117	123
Met Coke	80	52	133	112

¹ Iron Ore sales include internal sales of 0.18 million tonnes in H1 FY2013 vs. 0.12 million tonnes in H1 FY2012 and 0.12 million tonnes in Q2 FY12-13 vs. 0.05 million tonnes in Q2 FY2012

² Sales of iron ore from Karnataka were 0.01 million tonnes in Q2 FY2013 and 0.06 million tonnes in H1 FY2013 through court sponsored e-auctions of inventory

Operating Performance

Sales of Iron Ore were 0.2 million tonnes in Q2 and 3.1 million tonnes in H1, as compared to 1.6 million tonnes and 5.8 million tonnes in the corresponding prior periods respectively. Iron ore operations were affected by the mining ban in Karnataka, a temporary restriction on iron ore extraction in Goa and transportation restrictions in South Goa during the monsoons.

Last month, the Supreme Court allowed some mines in Karnataka to resume mining operations, in line with recommendations of the Central Empowered Committee (CEC), and has now commenced the process for other mines including our mine in Karnataka. The CEC has approved our Reclamation and Rehabilitation plan at a provisional production capacity of 2.29 mtpa and we expect to commence mining in Karnataka, subject to receiving the court's approval.

The Goa State Government ordered a temporary suspension on extraction of ore across the State of Goa from 11 September 2012 pending verification of various approval documents, but stated that the ore already mined-out may be transported and sold after inspection and clearance by the State Government. Further, the Central Ministry of Environment and Forests suspended existing environmental clearances of mines across the State from 14 September 2012 and is verifying documents related to environmental clearances. The Company has submitted all the relevant documents as required by the respective authorities.

On 5 October 2012, the Supreme Court of India ordered a suspension on mining activities in Goa, including transportation of mined ore from mines or stockyards, and asked the CEC to file a preliminary report in four weeks.

The Company is working closely with the regulatory authorities to complete the review processes.

Pig Iron & Met Coke

Sales of Pig Iron and Met Coke increased by 12% and 54% in Q2 to 72,650 tonnes and 79,506 tonnes respectively as compared with 64,611 and 51,535 the corresponding prior quarter. Production of Pig Iron and Met Coke also increased by 30% and 28% in Q2 to 81,991 tonnes and 82,920 tonnes respectively as compared with 63,277 and 64,848 of the corresponding prior quarter. The increase is primarily on account of the successful commissioning of new pig iron capacity (of 375 ktpa taking total capacity to 625 ktpa) and the associated metallurgical coke capacity during the quarter.

Further, the company has stopped the operation of the new blast furnace on October 08, 2012 due to low / no availability of iron ore from Karnataka / Goa.

Western Cluster Limited, Liberia

At our Liberia iron ore project, exploration activities are progressing well, with over 31,000 meters of drilling completed till 30 September 2012. We remain on track to deliver the first shipment in FY2014.

Financial Performance

During Q2 and H1, net profit including associate income was at ₹ 522 crores and ₹ 1,486 crores including share of profit from Cairn India at ₹ 464 crores and ₹ 1,230 crores respectively.

Net Profit before associate income for Q2 was higher at ₹ 58 crores compared to ₹ 1 crores in the corresponding prior quarter. Net Profit for H1 before associate income was at ₹ 256 crores, a decline of 70% as compared with the corresponding prior period. The profits declined due to lower sales volume on account of suspension of mining operations, transportation restrictions in Goa and continued mining suspension in Karnataka operations which was offset by foreign exchange gains during Q2.

Scheme of Amalgamation and Arrangement (Sesa-Sterlite Merger)

Further to the approval received from the stock exchanges, the Competition Commission of India, Foreign Investment Promotion Board and the equity shareholders during Q1, approval of the Supreme Court of Mauritius for merger of Ekaterina Limited with the Company was obtained during Q2. The petitions for merger have been filed with and admitted by the High Court of Bombay, at Goa, and High Court of Madras in respect of which hearings have commenced.

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About Sesa

Sesa is India's largest producer and exporter of iron ore in the private sector with operations in the states of Goa and Karnataka in India and a large integrated project site in Liberia, West Africa. Founded in 1954, for about 6 decades, Sesa has been involved in iron ore exploration, mining, beneficiation and exports. Sesa is a part of Vedanta Resources plc, the London-listed FTSE 100 diversified metals and mining major. Sesa also manufactures pig iron and metallurgical coke, with a 0.56 mtpa metallurgical coke plant and a 0.625 mtpa pig iron plant in Goa, and an associated 60 MW power plant.

Disclaimer

This press release contains "forward-looking statements," i.e., statements related to future, not past, events and may be interpreted as 'forward looking statements' within the meaning of applicable laws and regulations. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "should" or "will." Forward-looking statements, by their nature, address matters that are, to different degrees, uncertain. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the company's operations include a downtrend in the steel, pig iron & met coke industry - global or domestic or both, significant changes in political, economic, business, competitive or regulatory environment in India or key markets abroad and from numerous other matters of national, regional & global scale including but not limited to natural calamity, tax laws, litigations, Government policies & regulations, fluctuations in interest and or exchange rates of Indian Rupee, etc. Any forward-looking information in this press release has been prepared on the basis of a number of assumptions, which may prove to be incorrect. This press release should not be relied upon as a recommendation or forecast by Sesa Goa Limited. The views expressed herein may contain information derived from publicly available sources that have not been independently verified; no representation or warranty is made as to the accuracy, completeness or reliability of this information. We do not undertake to update our forward-looking statements.