

Sesa Goa Limited

Audited Results for the Year Ended 31 March 2013

Highlights

- Supreme Court clearance for resumption of mining in Karnataka
- **Exploration Success**
 - More than a billion tonnes of resources added during the year across Liberia and India
 - Net addition of 59 million tonnes of reserves and resources (R&R) taking the total R&R to 433 million tonnes in India, implying 20+ years mine life.
 - R&R for Liberia at 966 million tonnes.
- **Consolidated Financial Performance**
 - PBDT at ` 23 crore
 - PAT (Incl. associate income) at ` 2,280 crore
 - EPS at ` 26.24

Goa, 27 April 2013: Sesa Goa Limited (“SGL” or the “Company”) today announced its audited consolidated results for the fourth quarter (“Q4”) and year ended (“Full Year”) 31 March 2013.

Audited Consolidated Financial Summary

(in ` crores, except as stated)

	Quarter Ended		%	Year Ended		%
	31- March			31-March		
	2013	2012	Change	2013	2012	Change
Net Sales/Income from operations	291	2,791	(90)	2,554	8,275	(69)
Cash Profit (PBDT)	(206)	1,110	-	23	3,235	(99)
Net Profit (PAT)	(215)	696	-	(131)	2,108	-
Net Profit (PAT) Incl. Associate Income*	298	1,162	(74)	2,280	2,696	(15)
Earnings Per Share (.)#						
Basic	3.43	13.37	(74)	26.24	31.01	(15)
Diluted	3.37	13.37	(75)	26.24	31.01	(15)

Non annualised

* In FY2012, Associate Income from Cairn India Limited has been taken from December 08, 2011.

Consolidated Production and Sales Summary (Audited)

	UOM	Quarter Ended		%	Year Ended		%
		31- March			31-March		
		2013	2012	Change	2013	2012	Change
Sales – Iron ore*	(Mt)	0.0	5.2	(100%)	3.1	16.0	(80%)
Goa		0.0	4.9	(100%)	3.0	13.3	(77%)
Karnataka		0.0	0.2	(94%)	0.1	2.7	(96%)
Production - Saleable Ore	(Mt)	0.0	4.9	(100%)	3.7	13.8	(73%)
Goa		0.0	4.9	(100%)	3.7	12.7	(71%)
Karnataka		0.0	-	(100%)	0.0	1.0	(100%)
Production	(Kt)						
Pig Iron		104	59	75%	308	249	24%
Met Coke		94	64	48%	331	257	29%
Sales	(Kt)						
Pig Iron		95	60	59%	275	251	8%
Met Coke		90	70	28%	302	251	20%
Energy							
Net Generation / Sales ³	(MU)	43	12	-	159	12	-

1. Iron ore sales include internal sales of Nil million tonnes in Q4 FY2013 vs. 0.10 million tonnes in Q4 FY2012 and 0.17 million tonnes in FY2013 vs. 0.30 million tonnes in FY2012.
2. Sales of iron ore from Karnataka were 0.01 million tonnes in Q4 FY2013 and 0.11 million tonnes in FY2013 through court sponsored e-auctions of inventory
3. Sales of energy include internal usage of 37 million units (MU) in Q4 FY2013 and 95 MU in FY2013.

Operating Performance

Iron ore operations were affected by the suspension of mining in Goa and Karnataka. On 18 April 2013, the Honourable Supreme Court of India has given clearance for resumption of mining operations for A and B category mines in Karnataka subject to statutory clearances. Sesa Goa's Karnataka mine falls under B category, and is awaiting statutory clearances, including forest clearance which expired in October 2012, to resume mining. We expect to commence mining shortly, subject to the grant of statutory clearances.

Regarding the suspension of mining in Goa, the date for initial hearing is yet to be fixed by Honourable Supreme Court of India. In the meantime, the State Government and major miners including Sesa Goa, have filed their responses to the Central Empowered Committee report. Separately, we have filed an application to the Supreme Court seeking a stay on the suspension of mining and restrictions on ore transportation.

In Q4, production of pig iron and metallurgical coke were 75% and 48% higher at 104,000 tonnes and 94,000 tonnes, respectively, due to the new capacities commissioned in Q2 FY2013. For the full year, the production of pig iron and metallurgical coke grew by 24% and 29% respectively.

Power sales were 43 million units in Q4 and 159 million units for the full year. Power sales are not comparable with the previous periods in view of Goa Energy Limited acquisition in March 2012, and the commissioning of new 30 MW power plant.

Financial Performance

The Company posted a loss before depreciation and taxes for Q4 at Rs 206 crores as against Cash profit of Rs 1,110 crores in corresponding prior period. The Cash profit for the full year declined to ` 23 crores from ` 3,235 crores in the previous year on account of suspension of iron ore operations.

Final Dividend

The Board of Directors has recommended a dividend of 10% i.e. ` 0.1 per share on equity share of ` 1.00 each.

Resource Addition - India

The Company's focus on exploration activities has yielded another year of significant reserves and resources accretion in Goa and Karnataka, with a net addition of 59 million tonnes of reserves and resources during the year. Driven by the strong focus on resource addition over the last 5 years, the total reserves and resources in Goa and Karnataka (including mines of erstwhile Dempo) have been increased to 3.6 times, net of depletion.

Total reserves and resources in India as on 31 March 2013 stands at 433 million tonnes as compared to 374 million tonnes as on 31 March 2012, implying 20+ years of mine life.

Liberia

At our Liberia iron ore project, exploration activities are progressing well with ~69,000 meters of drilling completed till 31 March 2013 including 54,000 meters in Bomi. The maiden reserves and resources at Liberia stand at 966 million tonnes as on 31 March 2013. The resources pertain to part of the exploration license areas in Liberia and a significant upside is anticipated. Drilling continues and the preliminary indications continue to be positive.

The project is planned to be developed in phases with a target capacity of ~30 mtpa. We remain committed for our first shipment target by end of FY2014, while continuing to work on the initial phase of 2 mtpa envisaged to be completed by end of CY2014. In the first phase, the saleable ore will be transported to the Monrovia port by road.

The reserves and resources position in India and Liberia has been independently reviewed and certified as per Joint Ore Reserves Committee (JORC) standard.

Investment

During the year, SGL acquired the remaining 49% of the outstanding common shares of Western Cluster Limited (thereby taking the equity interest in the project to 100%) for a cash consideration of US\$ 33.5 million.

Sesa Sterlite Merger - Update

The proposed Vedanta Group Consolidation and Simplification has received the approval of the High Court of Bombay at Goa on 3 April 2013. The hearings at the High Court of Madras have been completed and the order is awaited. Following the receipt of Court Approvals, a record date will be announced to complete the transaction.

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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. Sesa is a majority owned and controlled subsidiary of Vedanta Resources plc, the London listed FTSE 100 diversified metals and mining major. Founded in 1954, for about six decades, Sesa has been involved in iron ore exploration, mining, beneficiation and exports. 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" - that is, 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.