

Sesa Mining Corporation Limited
Balance Sheet as at March 31, 2022

(INR Crores)

	Notes	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	4	96.29	98.56
Capital work in progress	4	-	-
Intangible assets	5	-	-
Financial assets			
Investments	6	14.00	-
Others	6	0.01	10.52
Deferred tax assets (net)	7	-	-
Income tax assets (net)		12.42	6.16
Other non-current assets	8	59.78	18.99
		182.50	134.23
Current Assets			
Inventories	9	1.15	1.10
Financial assets			
Trade receivables	10	0.17	8.76
Cash and cash equivalents	11	0.20	0.03
Loans	12	10.00	-
Others	13	12.44	-
Other current assets	14	4.12	3.14
		28.08	13.03
Total Assets		210.58	147.26
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	11.50	11.50
Other equity			
Retained Earnings		(120.66)	(174.83)
Other Reserves		(1.64)	(0.95)
Total Equity		(110.80)	(164.28)
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	16	0.32	0.45
Other Non-current liabilities	18	3.16	4.13
		3.48	4.58
Current liabilities			
Financial liabilities			
Borrowings	19	191.76	172.19
Lease liabilities	21(b)	0.86	0.69
Trade payables			
Total outstanding dues of Micro and Small enterprises	20	0.19	0.09
Total outstanding dues of creditors other than Micro and Small enterprises	20	3.85	14.69
Others financial liabilities	21(a)	101.31	100.45
Other current liabilities	22	12.19	12.61
Provisions	17	7.63	6.13
Current tax Liabilities (net)		0.11	0.11
		317.90	306.96
Total Equity & Liabilities		210.58	147.26

Summary of Significant Accounting Policies 3

The accompanying notes are an integral part of the financial statements
As per our report of even date

For and on behalf of the Board of Directors of Sesa Mining Corporation Limited

For S R B C & CO LLP
Chartered Accountants

ICAI Firm Registration No. 324982E / E300003

per Anant Acharya
Partner

Membership No. 124790

Place: Mumbai

Date: April 19, 2022



Sauvick Mazumder
Executive Director &
Chief Executive Officer
DIN 07558996

Navin Kumar Jaju
Executive Director &
Chief Financial Officer

DIN 00669654

Tina Lakhani
Company Secretary

ICSI Membership No A34723



Place: Panaji-Goa
Date: April 19, 2022

Sesa Mining Corporation Limited
Statement of Profit and Loss for the Year ended March 31, 2022

		(INR Crores)	
		Year ended March 31, 2022	Year ended March 31, 2021
Revenue from Operations	23	97.26	145.42
Other income	24	1.71	1.12
Total Income		98.97	146.54
Expenses			
Decrease in Inventories	25	0.06	25.65
Employee Benefits Expenses	26	21.88	25.70
Finance costs	27	13.88	14.81
Depreciation and Amortization Expenses	28	2.26	2.44
Other Expenses	29	6.72	34.53
Total Expenses		44.80	103.13
Profit before Exceptional Items and Tax		54.17	43.41
Exceptional Items - Gain	30	-	25.72
Profit before Tax		54.17	69.13
Tax expense			
Current Tax		-	-
Deferred Tax	7	-	-
Net Tax (benefit)/expense		-	-
Profit for the year (A)		54.17	69.13
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurement losses on defined benefit plans	31	(0.69)	(1.57)
Income tax effect		-	-
Other comprehensive income for the year, net of tax (B)		(0.69)	(1.57)
Total comprehensive income for the year, net of tax (A+B)		53.48	67.56
Earnings per equity share of Rs. 100 each			
Basic & Diluted (in Rs.)	32	471.04	601.13

Summary of Significant Accounting Policies

3

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of Sesa Mining Corporation Limited

For S R B C & CO LLP
Chartered Accountants

ICAI Firm Registration No. 324982E / E300003

per Anant Acharya
Partner
Membership No. 124790
Place: Mumbai
Date: April 19, 2022




Sauvick Mazumder
Executive Director &
Chief Executive Officer
DIN 07558996


Navin Kumar Jaju
Executive Director &
Chief Financial Officer
DIN 00669654


Tina Lakhani
Company Secretary
ICSI Membership No A34723

Place: Panaji-Goa
Date: April 19, 2022



Sesa Mining Corporation Limited
Statement of Cash Flows for the Year ended March 31, 2022

	(INR Crores)	
	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows from operating activities		
Profit before tax	54.17	69.13
Adjustments to reconcile profit to net cash provided by operating activities:		
Depreciation and amortization	2.26	2.44
Exceptional items	-	(25.72)
Deferred government grant	(0.96)	(0.96)
Interest Income	(0.75)	(0.10)
Finance costs	13.88	14.81
Changes in assets and liabilities:		
(Increase) / Decrease in trade and other receivables	8.59	(8.54)
(Increase) / Decrease in inventories	(0.05)	25.62
Increase in other current and non-current assets	(53.46)	(0.43)
Increase/ (Decrease) in trade and other payable	(10.74)	1.23
Increase in other current and non-current liabilities and provisions	5.26	0.23
Cash generation from operation	18.20	77.71
Income tax paid during the year	(6.26)	(0.25)
Net cash generated from operating activities	11.94	77.46
Cash flows from investing activities		
Investment in Subsidiary	(14.00)	-
Loan to subsidiary	(10.00)	-
Purchases of property, plant and equipment	0.01	(0.17)
Fixed Deposit with banks (original maturity of more than 3 months) (net)	10.51	(9.37)
Net cash used in investing activities	(13.48)	(9.54)
Cash flows from financing activities		
Finance costs	(17.86)	(22.91)
Repayment of short-term borrowing	(4.43)	(45.00)
Proceeds from short-term borrowing	24.00	-
Net cash used in from financing activities	1.71	(67.91)
Net increase in cash and cash equivalents	0.17	0.01
Cash and cash equivalents at the beginning of the year	0.03	0.02
Cash and cash equivalents at the end of the Year (Note 11)	0.20	0.03

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of Sesa Mining Corporation Limited

For S R B C & CO LLP
Chartered Accountants

ICAI Firm Registration No. 324982E / E300003

per Anant Acharya
Partner

Membership No. 124790

Place: Mumbai

Date: April 19, 2022



Sauvick Mazumder
Executive Director &
Chief Executive Officer
DIN 07558996

Navin Kumar Jaju
Executive Director &
Chief Financial Officer
DIN 00669654

Tina Lakhani
Company Secretary
ICSI Membership
No A34723

Place: Panaji-Goa
Date: April 19, 2022



Sesa Mining Corporation Limited
Statement of Changes in Equity for the Year ended March 31, 2022

(INR Crores)

a. Equity Share Capital

Equity shares of INR 100 each issued, subscribed and fully paid

	Numbers of shares	Amount
As at March 31, 2021	11,50,000	11.50
As at March 31, 2022	11,50,000	11.50

b. Other Equity

For the Year ended March 31, 2022

Particulars	Retained earnings	Other Reserves			Total Other Equity
		Capital Reserve	General reserve	Other Comprehensive Income	
Balance as at April 1, 2020	(243.96)	0.66	3.60	(3.64)	(243.34)
Profit for the year	69.13	-	-	-	69.13
Other Comprehensive Income (Note 31)	-	-	-	(1.57)	(1.57)
Balance as at March 31, 2021	(174.83)	0.66	3.60	(5.21)	(175.78)
Profit for the year	54.17	-	-	-	54.17
Other Comprehensive Income (Note 31)	-	-	-	(0.69)	(0.69)
Balance as at March 31, 2022	(120.66)	0.66	3.60	(5.90)	(122.30)

Summary of Significant Accounting Policies

3

The accompanying notes are an integral part of the financial statements

As per our report of even date

For and on behalf of the Board of Directors of Sesa Mining Corporation Limited

For S R B C & CO LLP
Chartered Accountants

ICAI Firm Registration No. 324982E / E300003


per Anant Acharya
Partner
Membership No. 124790
Place: Mumbai
Date: April 19, 2022




Sauvik Mazumder
Executive Director &
Chief Executive Officer
DIN 07558996


Navin Kumar Jaju
Executive Director &
Chief Financial Officer
DIN 00669654


Tina Lakhani
Company Secretary
ICSI Membership No A34723

Place: Panaji-Goa
Date: April 19, 2022



1. COMPANY OVERVIEW

Sesa Mining Corporation Limited ("the Company") is a public limited company domiciled in India and has its registered office at Sesa Ghor, 20 Edc Complex, Patto, Panaji (GOA) - 403 001. The Company is engaged in the business of mining and domestic sale of iron ore, further refer Note 2b. The Company's mining operations are all situated in Goa.

2. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

a) Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind-AS) as notified by Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 and as amended from time to time.

The financial statements were approved for issue by the Board of Directors on April 19, 2022.

b) Basis of measurement

Hon. Supreme Court's vide order dated February 7, 2018 has directed all lease holders operating under a second renewal to stop all mining operations with effect from 16 March 2018 until fresh mining leases (not fresh renewals or other renewals) and fresh environmental clearances are granted in accordance with the provisions of the MMDR Act.

Consequent to the aforesaid judgment mining operations of the Company, have stopped from 16 March 2018. The Company is exploring various options available at this point of time to restart mining operations at the earliest.

The financial statements has been prepared on a going concern basis. Basis the projections prepared by the Company, the management believes that the net current liabilities of Rs.289.82 crores will be bridged mainly through additional funding by the holding Company and internal accruals. Further, Vedanta Limited, the parent Company has through letter of support, agreed to continue to provide financial support to the Company for its continued operations atleast for next eighteen months, if the Company is unable to meet its funding requirements.

The Company is therefore being viewed as a going concern and financial statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial instruments and defined benefit plans which have been measured at fair value as required by relevant Ind AS.

3. SIGNIFICANT ACCOUNTING POLICIES

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

a) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification. An asset is classified as current when it satisfies any of the following criteria:

- it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle.
- it is held primarily for the purpose of being traded;
- it is expected to be realized within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

b) Revenue Recognition

Company has revenue recognition practices, wherein transfer of control happens at the same point as transfer of risk and rewards. The amount of revenue recognised reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

c) Property, Plant and Equipment

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including any expected cost of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of profit or loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improve the economic benefits expected to arise from the asset.

The stripping cost incurred during the production phase of a surface mine is deferred to the extent the current period stripping cost exceeds the average period stripping cost over the life of mine and recognised as an asset if such cost provides a benefit in terms of improved access to ore in future periods and certain criteria are met. Deferred stripping costs are included in mining properties within property, plant and equipment and disclosed as a part of mining properties. After initial recognition, the stripping activity asset is depreciated on a unit of production method over the expected useful life of the identified component of the ore body.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognized net within other income/ other expenses in profit or loss.

d) Capital work in progress

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalised until the period of commissioning has been completed and the asset is ready for its intended use.



e) **Intangible assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any.

Intangible assets are amortised over their estimated useful life. Software is amortised using the straight-line method over the estimated useful life of software license. Amounts paid for securing mining rights are amortised over the period of the mining lease. The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is different from previous estimates, the change is accounted for as a change in accounting estimate.

f) **Depreciation and Amortisation**

Freehold land are not depreciated.

Other Property, Plant & Equipments

Other buildings, plant and equipment, office equipment and fixtures, and motor vehicles are stated at cost less accumulated depreciation and any provision for impairment. Depreciation commences when the assets are ready for their intended use.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over its expected useful life, as follows -

Buildings	- 30 - 60 years
River Fleet	- 28 years
Plant & Equipment	- 3-25 years
Furniture & Fixtures	- 10 years
Vehicles	- 8 years
Office Equipment	- 3-5 years
Roads	- 5-10 years
Bunders	- 30 years

Mine Closure Asset is being depreciated on a unit of production basis, which is the ratio of extraction in the period to the estimated quantities of proved and probable reserves at the end of the period plus the extraction in the period.

Stamp duties and other statutory levies for renewal of owned mining leases are amortised over the operating period of lease.

Major inspection and overhaul costs are depreciated over the estimated life of the economic benefit derived from such costs. The carrying amount of the remaining previous overhaul cost is charged to the statements of profit or loss if the next overhaul is undertaken earlier than the previously estimated life of the economic benefit.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Intangible Assets

Amortisation is provided using the following useful life -

Software - 3 years
Mining Rights - Based on lease Year

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and changes in estimates, if any, are accounted for prospectively.

g) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

- financial assets include cash and cash equivalents, trade receivables, employee advances, investments in equity and debt securities;
- financial liabilities include long-term and short-term loans and borrowings and trade payables.

Financial Assets - Recognition

Initially, a financial instrument is recognized at its fair value. Transaction costs directly attributable to the acquisition or issue of financial instruments are recognized in determining the carrying amount, if it is not classified as at fair value through profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified.

For purposes of subsequent measurement, financial assets are classified as:

i) **Financial assets at amortised cost:**

A financial asset is classified as "financial asset at amortised cost" (amortised cost) under IND AS 109 Financial Instruments if it meets both the following criteria:

- (1) The asset is held within a business model whose objective is to hold the financial asset in order to collect contractual cash flows, and
- (2) The contractual terms of the financial asset give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding on specified date (the 'SPPI' contractual cash flow characteristics test).

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

ii) **Financial assets at fair value through other comprehensive income (FVTOCI):**

All equity investment in scope of IND AS 109 Financial Instruments are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which IND AS 103 Business Combinations applies are classified as fair value through profit or loss. For all other equity instruments, the Company may make irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-to-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument through fair value through other comprehensive income (FVTOCI), then all fair value changes in the instruments excluding dividends, are recognised in OCI and is never recycled to statement of profit and loss, even on sale of the instrument.



Financial Assets - Derecognition

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

Financial liabilities – Recognition & Measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings or payables, as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The measurement of financial liabilities depends on their classification, as described below:

i) Financial liabilities measured at amortized cost

After initial recognition, financial liabilities are subsequently measured at amortized cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

ii) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading. Gains or losses on liabilities held for trading are recognized in statement of profit and loss.

Financial liabilities - Derecognition

Financial liabilities are derecognized when these are extinguished, that is when the obligation is discharged, cancelled or has expired.

Offsetting of financial instruments

Financial assets and financial liabilities are offset with the net amount reported in the balance sheet only if there is a current enforceable legal right to offset the recognised amounts and intent to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

h) Impairment of Non-financial assets

Impairment charges and reversals are assessed at the level of cash-generating units. A cash-generating unit (CGU) is the smallest identifiable group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or group of assets.

Impairment tests are carried out annually for all assets when there is an indication of impairment. The company conducts an internal review of asset values annually, which is used as a source of information to assess for any indications of impairment or reversal of previously recognised impairment losses. External factors, such as changes in expected future prices, costs and other market factors are also monitored to assess for indications of impairment or reversal of previously recognised impairment losses.

If any such indication exists then an impairment review is undertaken, the recoverable amount is calculated, as the higher of fair value less costs of disposal and the asset's value in use.

Fair value less costs of disposal is the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors that may be specific to the entity and not applicable to entities in general. Fair value for mineral assets is generally determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset, including any expansion prospects, and its eventual disposal, using assumptions that an independent market participant may take into account. These cash flows are discounted at an appropriate post tax discount rate to arrive at the net present value.

Value in use is determined as the present value of the estimated future cash flows expected to arise from the continued use of the asset in its present form and its eventual disposal. The cash flows are discounted using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which estimates of future cash flows have not been adjusted. Value in use is determined by applying assumptions specific to the company's continued use and cannot take into account future development. These assumptions are different to those used in calculating fair value and consequently the value in use calculation is likely to give a different result to a fair value calculation.

The carrying amount of the CGU is determined on a basis consistent with the way the recoverable amount of the CGU is determined.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognised in the income statement.

Any reversal of the previously recognised impairment loss is limited to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had previously been recognised.

i) Government Grant

Government grants are not recognised until there is a reasonable assurance that the company will comply with the conditions attaching to them and that the grants will be received. Government grants relating to tangible fixed assets are treated as deferred income and released to the statements of profit or loss over the expected useful lives of the assets concerned. Other grants are credited to the statements of profit or loss as and when the related expenditure is incurred.

j) Inventories

Inventories (other than immaterial by-products and scrap) are stated at the lower of cost (on weighted average basis) and net realisable value, less any provision for obsolescence. Cost includes all charges in bringing the goods to the point of sale including octroi and other levies, transit insurance and receiving charges. Finished goods include apportionment of fixed and variable overheads.

Net realisable value is determined based on estimated selling price, less further costs expected to be incurred to completion and disposal.

k) Taxation

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to a business combination, or items directly recognized in equity or in OCI.



Sesa Mining Corporation Limited
Notes to Financial Statement for the year ended March 31, 2022

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction. Deferred income tax assets are recognized to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting period.

Deferred tax relating to items recognised outside statement of profit and loss is recognised outside statement of profit and loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

l) Retirement benefit schemes

Defined benefit plan

In accordance with applicable laws in India, the Company provides for gratuity, a defined benefit retirement plan ("the Gratuity Plan") for every employee who has completed 5 years or more of service on departure at 15 days salary (last drawn salary) for each completed year of service. The Gratuity Plan provides for a lump sum payment to eligible employees at retirement, death, incapacitation or termination of employment based on last drawn salary and tenure of employment with the Company. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date using projected unit credit method. The gratuity scheme is funded with Insurance Company.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Defined contribution plan

The Company makes contributions to the family pension and superannuation fund scheme, a defined contribution benefit scheme. These contributions are deposited with Government administered fund and recognised as an expense in the period in which the related service is performed. There is no further obligation on the Company on this defined contribution plan.

Compensated Absences

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Employee entitlements to annual leave are recognised as a liability when they accrue to the employees. The estimated liability for leave is recognised for services rendered by employees up to the end of the reporting period.

m) Provision for liabilities and charges, Contingent liabilities and contingent assets

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

Provisions represent liabilities to the Company for which the amount or timing is uncertain. Provisions are recognized when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognized in the statements of profit or loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

The Company has capital commitments in relation to various capital projects which are not recognized on the balance sheet. In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

Contingent assets are not recognised but disclosed in the financial statements when an inflow of economic benefits is probable.



n) **Foreign currency**

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates prevailing at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the end of the reporting period.

Differences arising on settlement or translation of monetary items are recognised in the statement of profit and loss.

o) **Functional and presentation currency**

Management has determined the currency of the primary economic environment in which the entity resides in and operates as the functional currency. The functional currency of the Company is Indian Rupees (INR). The financial statements have been presented in INR, as it best represents the operating business performance and underlying transactions.

p) **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit/(loss) attributable to ordinary equity holders of the Company using the weighted-average number of equity shares considered for deriving basic earnings per share and weighted average number of dilutive equivalent shares outstanding during the period, except where the results would be anti-dilutive. Dilutive potential shares are deemed converted at the beginning of the period, unless issued at later date.

q) **Segment Reporting**

The Company primarily operates in the business segment of mining and sale of Iron Ore. As per the management's perspective, the risks and returns from its sales do not materially vary geographically. Accordingly, there are no other reportable segments as required to be reported under Ind AS 108 – Operating Segments.

r) **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

s) **Use of Estimates and Judgments**

The preparation of the financial statements in conformity with Ind AS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, expenses and disclosures of contingent assets and liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates under different assumptions and conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the Year in which the estimate is revised and future periods affected.

In particular, information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are included in the following accounting policies and/or notes.

t) **Leases**

The Company assesses at contract inception, all arrangements to determine whether they are, or contain, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) **Right-of-use assets**

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date when the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. The right-of-use assets are also subject to impairment.

(ii) **Lease liabilities**

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (and, in some instances, in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is generally not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(this space has been intentionally kept blank)



Significant judgement in determining the lease term of contracts with renewal options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has also applied the available practical expedients wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(this space has been kept intentionally blank)



Sesa Mining Corporation Limited
Notes to Financial Statement for the year ended March 31, 2022
(All amounts are in INR Crores, unless otherwise stated)

4. PROPERTY, PLANT AND EQUIPMENT

Cost	Land-Freehold	Buildings	Plant and equipment	Furniture and fixtures	Vehicles	Office equipment	Road and Bunders	Mine Closure Asset	Stripping asset	ROU Asset	CWIP	Total
As at April 1, 2020	80.87	5.65	111.38	0.52	3.49	0.70	2.27	10.53	1.83	1.07	-	218.31
Additions	-	-	0.07	-	0.10	0.01	-	-	-	-	0.18	0.36
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Transferred to PPE	-	-	-	-	-	-	-	-	-	-	(0.18)	(0.18)
As at March 31, 2021	80.87	5.65	111.45	0.52	3.59	0.71	2.27	10.53	1.83	1.07	-	218.49
Additions	-	-	0.05	-	-	-	-	-	-	-	0.05	0.10
Disposals	-	-	(0.72)	-	(0.28)	-	-	-	-	-	(0.05)	(1.00)
Transferred to PPE	-	-	-	-	-	-	-	-	-	-	(0.05)	(0.05)
As at March 31, 2022	80.87	5.65	110.78	0.52	3.31	0.71	2.27	10.53	1.83	1.07	-	217.54
Depreciation												
As at April 1, 2020	-	2.83	94.95	0.46	3.32	0.62	2.19	10.53	1.83	0.75	-	117.49
Charge for the year	-	0.08	2.10	0.02	0.02	0.03	-	-	-	0.20	-	2.44
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2021	-	2.91	97.05	0.48	3.34	0.65	2.19	10.53	1.83	0.95	-	119.92
Charge for the year	-	0.09	2.01	0.01	0.01	0.02	-	-	-	0.12	-	2.26
Disposals	-	-	(0.68)	-	(0.26)	-	-	-	-	-	-	(0.94)
As at March 31, 2022	-	3.00	98.38	0.49	3.09	0.67	2.19	10.53	1.83	1.07	-	121.24
Net Book Value												
As at March 31, 2021	80.87	2.74	14.40	0.04	0.25	0.06	0.08	-	-	0.12	-	98.56
As at March 31, 2022	80.87	2.65	12.40	0.03	0.22	0.04	0.08	-	-	-	-	96.29



5 INTANGIBLE ASSETS

	Computer Software	Mining Rights	Total
Cost			
As at April 1, 2020	1.38	42.00	43.38
Additions	-	-	-
As at March 31, 2021	1.38	42.00	43.38
Additions	-	-	-
As at March 31, 2022	1.38	42.00	43.38
Amortization			
As at April 1, 2020	1.38	42.00	43.38
Charge for the year	-	-	-
As at March 31, 2021	1.38	42.00	43.38
Charge for the year	-	-	-
As at March 31, 2022	1.38	42.00	43.38
Net Book Value			
As at March 31, 2021	-	-	-
As at March 31, 2022	-	-	-

6 FINANCIAL ASSETS

	March 31, 2022	March 31, 2021
(i) INVESTMENTS		
Investments at Fair Value through OCI (fully paid)		
Unquoted Equity Shares		
In Others		
276 (March 31, 2021: 276) equity shares of Dempo Mining Corporation Staff Consumer Co-operative Society Ltd.	0.00	0.00
400 (March 31, 2021: 400) equity shares of Dempo Mining Corporation Employee Co-operative Credit Society Ltd.	0.00	0.00
18,52,646 (March 31, 2021: Nil) equity shares of Desai Cement Company Private Limited	14.00	-
Total FVTOCI Investments	14.00	0.00
Non-Current	14.00	0.00
(ii) Others		
Considered Good		
Bank Deposits	0.01	10.52
Total Others	0.01	10.52

7 Deferred tax assets (net)

The major components of income tax expense for the Period ended 31 March 2022 and 31 March 2021 are:

Statement of profit and loss:

Profit or loss section:

	March 31, 2022	March 31, 2021
Current income tax		
Current income tax charge	-	-
Deferred tax:		
Deferred Tax	-	-
Income tax expense reported in the statement of profit or loss	-	-

OCI section:

Deferred tax related to items recognised in OCI during the year:

	March 31, 2022	March 31, 2021
Net loss/(gain) on remeasurement of defined benefit plans	-	-
Income tax charged to OCI	-	-



(this space has been left intentionally blank)



Sesa Mining Corporation Limited
Notes to Financial Statement for the year ended March 31, 2022
(All amounts are in INR Crores, unless otherwise stated)

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for 31 March 2022 and 31 March 2021:

	March 31, 2022	March 31, 2021
Accounting profit before income tax	54.17	69.13
At India's statutory income tax rate of 25.168% (31 March 2021: 29.12%)	13.63	19.23
Non deductible expenditure	-	-
Utilisation of Carry Forward Losses	(13.63)	(19.23)
Deferred Tax Assets recognised on earlier year's losses, reversed during the year	-	-
Annual ETR	-	-
Tax Expense / (benefit)	-	-

The Company has past accumulated losses and hence has not recognised any Current Tax as well as Deferred Tax during the year. Hence effective tax rate is Nil.

Deferred tax

Deferred tax relates to the following:

	Balance Sheet		Statement of profit and loss	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Property, Plant and Equipment	(21.03)	(24.37)	21.03	24.37
Losses available for offsetting against future taxable income	17.53	20.47	(17.53)	(20.47)
Employee benefits	2.37	2.50	(2.37)	(2.50)
Voluntary retirement scheme	0.08	0.09	(0.08)	(0.09)
Royalty	0.01	(0.18)	(0.01)	0.18
Government Grant	1.04	1.49	(1.04)	(1.49)
Deferred tax expense/(income)	-	-	-	-
Net deferred tax assets/(liabilities)	-	-	-	-

Reflected in balance sheet as follows:

	March 31, 2022	March 31, 2021
Deferred tax assets	21.03	24.37
Deferred tax liabilities	(21.03)	(24.37)
Deferred tax assets, net	-	-

Reconciliation of deferred tax assets, net

	March 31, 2022	March 31, 2021
Opening balance as of 1 April	-	-
Tax income/(expense) during the Year recognised in profit or loss	-	-
Tax income/(expense) during the Year recognised in OCI	-	-
Closing balance as at 31 March	-	-

Unused tax losses/ unused tax credit for which deferred tax asset is not recognized amount to Rs. 43.30 crores (ie Unabsorbed Business loss Rs.33.25 crores and Unabsorbed Depreciation Rs. 10.05 crores) and Rs.76.98 crores (ie Unabsorbed Business loss Rs.65.35 crores and Unabsorbed Depreciation Rs.11.63 crores) as at March 31, 2022 and March 31, 2021, respectively. The below are unabsorbed business losses and unabsorbed depreciation indicates the ageing analysis:

March 31, 2022	(INR Crores)				Total
	Within one year	Greater than one year, less than five years	Greater than five years	No expiry date	
Unabsorbed Business Loss	-	19.78	13.47	-	33.25
Unabsorbed Depreciation	-	-	-	10.05	10.05
	-	19.78	13.47	10.05	43.30

March 31, 2021	(INR Crores)				Total
	Within one year	Greater than one year, less than five years	Greater than five years	No expiry date	
Unabsorbed Business Loss	-	35.98	29.37	-	65.35
Unabsorbed Depreciation	-	-	-	11.63	11.63
	-	35.98	29.37	11.63	76.98

As there is no reasonable certainty about the realisation of the deferred tax assets against the future taxable profits, the same is not been recognised.

New Tax Regime

The Company elected to exercise option permitted under 115BAA of the Income Tax Act, 1961 as introduced by the taxation laws (Amendment) Ordinance 2019. The Company has accordingly recognised its provision for income tax and remeasured its deferred tax assets basis the rate prescribed in the said section.

8 Other Non-Current Assets

	March 31, 2022	March 31, 2021
Unsecured, Considered Good		
Balance with central excise and government authorities	59.78	18.99
Unsecured, Considered Doubtful		
Capital Advances	3.26	3.26
Prepaid Expenses	1.17	1.17
Claims and Other Receivables	58.23	60.14
Leasehold land prepayments	1.16	1.16
Less: Impairment	(63.82)	(65.73)
	59.78	18.99



9 INVENTORIES

	March 31, 2022	March 31, 2021
Finished goods (at lower of cost and net realisable value)	0.01	0.07
Stores and spare parts (at cost)	1.14	1.03
	<u>1.15</u>	<u>1.10</u>

10 TRADE RECEIVABLES

	March 31, 2022	March 31, 2021
<i>Unsecured, Considered Good</i>		
Trade Receivables	0.17	0.17
Receivables from Related Parties (Note 43)	-	8.59
	<u>0.17</u>	<u>8.76</u>

Particulars	March 31, 2022	March 31, 2021
<i>Unsecured, Undisputed</i>		
Unbilled dues	-	-
Not due	-	-
Less than 6 months	-	8.59
6 months -1 year	0.17	0.17
1-2 Years	-	-
2-3 years	-	-
More than 3 years	-	-
Total	<u>0.17</u>	<u>8.76</u>

No trade receivables are due from Directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

For terms and conditions relating to related party receivables, refer Note 43.

11 CASH AND CASH EQUIVALENTS

	March 31, 2022	March 31, 2021
Cash and cash equivalents		
Balances with banks		
- On current Accounts	0.20	0.03
	<u>0.20</u>	<u>0.03</u>

Changes in liabilities arising from Financing Activities

Particulars	March 31, 2021	Cash Flows	Accrual of Interest	Others*	March 31, 2022
Current:					
Interest (Other Financial Liabilities)	93.34	(17.86)	13.88	-	89.36
Borrowings	172.19	19.57	-	-	191.76
Lease Liability	0.69	-	-	0.17	0.86
Non Current:					
Lease Liability	0.45	-	-	(0.13)	0.32
	<u>266.67</u>	<u>1.71</u>	<u>13.88</u>	<u>0.04</u>	<u>282.30</u>

*Others majorly include transfer from non current to current lease liability.

12 OTHER CURRENT ASSETS

	March 31, 2022	March 31, 2021
Loans to related parties- Desai Cement Company Private Limited	10.00	-
	<u>10.00</u>	<u>-</u>

13 OTHER FINANCIAL ASSETS

	March 31, 2022	March 31, 2021
Advance for Related Parties	0.27	-
Bank Deposits	10.94	-
Others	1.23	-
	<u>12.44</u>	<u>-</u>

14 OTHER CURRENT ASSETS

	March 31, 2022	March 31, 2021
<i>Unsecured, Considered Good</i>		
Advance to suppliers	0.24	0.68
Prepaid Expenses	0.43	0.28
Balance with central excise and government authorities	3.45	2.17
Loans to employees	-	0.01
<i>Unsecured, Considered Doubtful</i>		
Advance to suppliers	0.35	0.35
Prepaid Expenses	0.32	0.32
Less: Impairment	(0.67)	(0.67)
	<u>4.12</u>	<u>3.14</u>



(this space has been left intentionally blank)



15 EQUITY SHARE CAPITAL

Authorised equity share capital

	Equity Shares	
	No. of Shares	Amount
At April 1, 2020	11,50,000	11.50
Increase / (decrease) during the year	-	-
At March 31, 2021	11,50,000	11.50
Increase / (decrease) during the year	-	-
At March 31, 2022	11,50,000	11.50

Terms/ rights attached to equity shares

The company has only one class of equity shares having par value of INR 100 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Issued equity share capital

	No. of Shares	Amount
	Equity Shares of INR 100 each issued, subscribed and fully paid up	
At April 1, 2020	11,50,000	11.50
Change during the Year	-	-
At March 31, 2021	11,50,000	11.50
Change during the Year	-	-
At March 31, 2022	11,50,000	11.50

Shares held by holding/ ultimate holding company and/ or their subsidiaries/ associates

Out of equity and preference shares issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

	March 31, 2022	March 31, 2021
Sesa Resources Limited, Holding Company		
11,50,000 (March 31, 2021: 11,50,000) Equity Shares of INR 100 each fully paid up	11.50	11.50

Details of shareholders holding more than 5% shares in the Company

	March 31, 2022		March 31, 2021	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Equity Shares of INR 100 each fully paid up				
Sesa Resources Limited, Holding Company	11,50,000	100%	11,50,000	100%

16 Lease liabilities

	March 31, 2022	March 31, 2021
Lease liabilities	0.32	0.45
	0.32	0.45

17 PROVISIONS

	March 31, 2022	March 31, 2021
Provision for employee benefits (Refer note 35)		
- Retirement benefits	2.61	1.72
- Compensated absences	5.02	4.41
	7.63	6.13

The movement in provision for compensated absences is as follows:

	Compensated Absences
As at April 1, 2020	3.43
Additions	0.98
Utilised	-
As at March 31, 2021	4.41
Current	4.41
Non-Current	-
	Compensated Absences
As at March 31, 2021	4.41
Additions	0.61
Utilised	-
As at March 31, 2022	5.02
Current	5.02
Non-Current	-



Sesa Mining Corporation Limited
Notes to Financial Statement for the year ended March 31, 2022
(All amounts are in INR Crores, unless otherwise stated)

18 Other Non-Current Liabilities

	March 31, 2022	March 31, 2021
Deferred Government Grant	3.16	4.13
	3.16	4.13

Represents government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipments accounted for as government grant and being amortised over the useful life of such assets.

19 BORROWINGS

	Effective Interest Rate (%)	Maturity	March 31, 2022	March 31, 2021
Current Borrowings				
Unsecured				
Short Term borrowings from related parties (Note 43)	7.15%	1 year	191.76	172.19
			191.76	172.19

20 TRADE PAYABLES

	March 31, 2022	March 31, 2021
Amount due to MSME (Note 42)	0.19	0.09
Trade Payables other than MSME	3.84	4.34
Trade Payable to related parties (Note 43)	0.01	10.35
	4.04	14.78

Undisputed dues – MSME

	March 31, 2022	March 31, 2021
Unbilled dues	-	-
Not due	-	-
Less than 1 year	0.19	0.09
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Sub-total	0.19	0.09

Undisputed dues - Others

	March 31, 2022	March 31, 2021
Unbilled dues	3.67	3.76
Not due	-	-
Less than 1 year	0.17	0.78
1-2 Years	0.01	10.15
2-3 years	-	0.00
More than 3 years	-	-
sub-total	3.85	14.69

21 OTHER FINANCIAL LIABILITIES AND LEASE LIABILITY

	March 31, 2022	March 31, 2021
a) Interest payable to related parties (Note 43)	89.36	93.34
Deposits from Vendors and others	0.01	0.18
Dues to employees	11.94	6.93
	101.31	100.45
b) Lease liability	0.86	0.69
	102.17	101.14

22 OTHER CURRENT LIABILITIES

	March 31, 2022	March 31, 2021
Statutory Liabilities	7.15	7.89
Deferred Government Grant	0.96	0.96
Advance from customers	0.06	0.03
Amount payable to employee provident fund	3.79	3.42
Other liabilities	0.23	0.31
	12.19	12.61

* Represents current portion of government assistance in the form of the duty benefit availed under Export Promotion Capital Goods (EPCG) Scheme on purchase of property, plant and equipments accounted for as government grant and being amortised over the useful life of such assets.

(this space has been left intentionally blank)



23 REVENUE FROM OPERATIONS		March 31, 2022	March 31, 2021
Sale of products			
Sale of goods		94.15	139.33
Sale of services			
Services of barges and jetties		2.90	6.00
Other operating revenues			
Scrap sales		0.16	0.03
Others		0.05	0.06
		<u>97.26</u>	<u>145.42</u>
Disclosure as per INDAS 115		March 31, 2022	March 31, 2021
Contract assets			
Trade Receivable		0.17	8.76
Contract liabilities			
Advance from customers		0.06	0.03
24 OTHER INCOME		March 31, 2022	March 31, 2021
Government Grant Income		0.96	0.96
Interest income		0.75	0.10
Miscellaneous income		-	0.06
		<u>1.71</u>	<u>1.12</u>
25 (INCREASE) / DECREASE IN INVENTORIES		March 31, 2022	March 31, 2021
Inventory at the end of the year			
Finished Goods		0.01	0.07
Impairment during the year		-	(25.72)
		<u>0.01</u>	<u>(25.65)</u>
Inventory at the beginning of the year			
Finished Goods		0.07	-
		<u>0.07</u>	<u>-</u>
		<u>0.06</u>	<u>25.65</u>
26 EMPLOYEES BENEFITS EXPENSE		March 31, 2022	March 31, 2021
Salaries and Wages		19.41	22.92
Contribution to provident & other funds		1.76	2.48
Staff welfare expenses		0.71	0.30
		<u>21.88</u>	<u>25.70</u>
27 FINANCE COSTS		March 31, 2022	March 31, 2021
Interest on debts and borrowings (Note 43)		13.66	14.59
Other borrowing costs		0.01	0.05
Interest on lease liability		0.09	0.09
Net Interest on defined benefit obligations		0.12	0.08
		<u>13.88</u>	<u>14.81</u>
28 DEPRECIATION & AMORTISATION		March 31, 2022	March 31, 2021
Depreciation (refer note 4)		2.26	2.44
		<u>2.26</u>	<u>2.44</u>
29 OTHER EXPENSES		March 31, 2022	March 31, 2021
Royalty		-	16.19
Hire of trucks and machineries		1.29	8.45
Consumption of stores and spare parts		3.30	6.51
Power & Fuel		0.47	0.47
Rent		0.69	0.55
Repairs to Machinery		-	-
Repairs to Building		-	-
Repairs Others		0.04	0.03
Rates And Taxes		0.09	0.08
Insurance		0.72	0.52
Payment to Auditors		0.08	0.08
Loss on sale/ discard of property, plant and equipment		0.05	-
Directors Sitting Fees and Commission		0.06	-
Provision for doubtful trade Receivables / advances		(1.91)	(0.04)
General Expenses		1.84	1.69
		<u>6.72</u>	<u>34.53</u>



Sesa Mining Corporation Limited
Notes to Financial Statement for the year ended March 31, 2022
(All amounts are in INR Crores, unless otherwise stated)

Payment to Auditors

	March 31, 2022	March 31, 2021
As auditor		
Audit Fees	0.07	0.07
In other capacity		
Other services (Certification fees)	0.01	0.01
	0.08	0.08

30 EXCEPTIONAL ITEMS

	March 31, 2022	March 31, 2021
Impairment of assets *	-	(25.72)
	-	(25.72)

*Pursuant to an order passed by the Hon'ble Supreme Court of India on January 30, 2020, transportation of royalty paid mineral/iron ore is permitted which is mined prior to March 15, 2018 from the jetties/stockyard or pitheads on the basis of the valid transit permits issued to them by the competent authority of the State Government. Such transportation shall be completed within a period of six months from date of order. Company based on estimated movement plan considered reversal of impairment of Rs. 25.72 crores which was recognised in FY 2017-18 based on an order passed by the Hon'ble Supreme Court of India on February 7, 2018 during year ended 31st March 21.

31 COMPONENTS OF OTHER COMPREHENSIVE INCOME (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

During the year ended March 31, 2022

	March 31, 2022
Re-measurement (losses) of the net defined benefit obligation - Gratuity	(0.24)
Remeasurement (losses) on fair value of plan assets - Provident Fund	(0.45)
	(0.69)

During the year ended March 31, 2021

	March 31, 2021
Re-measurement (losses) of the net defined benefit obligation - Gratuity	(1.26)
Remeasurement (losses) on fair value of plan assets - Provident Fund	(0.31)
	(1.57)

32 EARNINGS PER SHARE

The following reflects the income and share data used in the basic and diluted EPS computations:

	March 31, 2022	March 31, 2021
Profit attributable to equity share holders	54.17	69.13
Weighted average number of equity shares for EPS	Nos 11,50,000	11,50,000
EPS - Basic & Diluted (INR per share)	471.04	601.13
Nominal Value of Shares (INR per share)	100	100

33 CORPORATE SOCIAL RESPONSIBILITY EXPENSE

The average profit of last 3 years is negative, hence company is not required to carry out CSR activities.

The Company has incurred an amount of Rs. 0.15 Cr (March 31, 2021 Rs.0.13 Cr) towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 and is included in other expenses.

	March 31, 2022		March 31, 2021	
	In-cash	Yet to be paid in cash	In-cash	Yet to be paid in cash
(a) Gross amount required to be spend by the Company during the year	-	-	-	-
(b) Amount spent on:				
i) For CSR projects as defined in schedule VII of the Companies Act, 2013	0.15	-	0.13	-
Total	0.15	-	0.13	-

Nature of amount - General Expenses

Particulars	March 31, 2022	March 31, 2021
	Amount	Amount
Others	0.15	0.13
	0.15	0.13



34 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Useful lives of property, plant and equipment

The cost of property, plant and equipment is depreciated on a straight-line basis over the property, plant and equipment's estimated economic useful lives. Management estimates the useful lives of these property, plant and equipment in line with useful lives specified in schedule II of Companies Act. These are common life expectancies applied in the industry. Changes in the expected level of usage and technological developments could impact the economic useful lives and the residual values of these assets, therefore, future depreciation charges could be revised. The carrying amount of the Company's property, plant and equipment at the end of the reporting period is disclosed in Note 4 to financial statements.

(b) Employees benefits plan

The cost of defined benefit gratuity plan as well as the present value of the gratuity obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, expected rates of return of assets, future salary increase and mortality rates. Due to the complexity of the valuation, the underlying assumptions, defined benefit obligations are highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. Further details about gratuity obligation has been mentioned in Note 35.

(c) Income Taxes

The Company has exposure to income taxes in Indian jurisdiction. Deferred tax assets are recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant managements judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(d) Provisions and contingencies

The assessments undertaken in recognising provisions and contingencies have been made in accordance with the applicable Ind AS.

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Where the effect of time value of money is material, provisions are determined by discounting the expected future cash flows.

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also provided in the normal course of business. There are certain obligations which management has concluded, based on all available facts and circumstances, are not probable of payment or are very difficult to quantify reliably, and such obligations are treated as contingent liabilities and disclosed in the notes but are not reflected as liabilities in the financial statements. Although there can be no assurance regarding the final outcome of the legal proceedings in which the Company involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

35 GRATUITY & OTHER POST EMPLOYEE BENEFIT PLANS

A DEFINED CONTRIBUTION PLANS

The Company offers its employees benefits under defined contribution plans in the form of family pension and superannuation fund. Family pension fund and superannuation fund cover substantially all regular employees. Contributions are paid during the year into separate funds under certain statutory/ fiduciary type arrangements. While both the employees and the Company pay predetermined contributions into the pension fund, the contribution to superannuation fund are made only by the Company. The contributions are based on a fixed percentage of the employee's salary prescribed in respective scheme.

A sum of Rs.0.71 crore (March 31, 2021 Rs. 0.55 crore) has been charged to the statement of profit and loss in this respect, the components of which are tabulated below.

Particulars	March 31, 2022	March 31, 2021
Family Pension Fund	0.68	0.52
Superannuation Fund	0.03	0.03
	0.71	0.55

B DEFINED BENEFIT PLANS

i) Gratuity plan

The Company has defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded with Insurance Company in the form of a qualifying Insurance Policy.

The Company has constituted a trust recognized by Income tax authorities for gratuity of employees. The Company contributes funds to Life Insurance Corporation of India which are irrevocable. The Gratuity Plan provides a lump sum payment to vested employees at retirement, disability or termination of employment being an amount based on the respective employee's last drawn salary and the number of years of employment with the company. Based on actuarial valuations conducted as at year end, a provision is recognised in full for the benefit obligation over and above the funds held in the Gratuity Plan.



Sesa Mining Corporation Limited
Notes to Financial Statement for the year ended March 31, 2022
(All amounts are in INR Crores, unless otherwise stated)

Principal actuarial assumptions

Principal actuarial assumptions used to determine the present value of the defined benefit obligations are as follows:

	March 31, 2022	March 31, 2021
Discount Rate	7.14%	6.90%
Future Salary Increases	4% - 7.50%	4% - 7.50%
Withdrawal Rate	1.00%	1.00%
Mortality Table	IALM (2012-14)	IALM (2012-14)

The estimate of rate of escalation in salary considered in actuarial valuation takes into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.

Amount recognised in Balance Sheet consists of:

	March 31, 2022	March 31, 2021
Fair Value of plan assets	5.67	6.13
Present Value of defined benefit obligations	(8.28)	(7.85)
Net (Liability)/ Asset arising from defined benefit obligations	(2.61)	(1.72)

Amount recognised in Statement of Profit or Loss in respect of defined benefit plan are as follows:

	March 31, 2022	March 31, 2021
Current Service Cost	0.53	0.53
Net Interest Cost	0.12	0.08
Components of defined benefit costs recognised in profit or loss	0.65	0.61

Amount recognised in other comprehensive income in respect of defined benefit plan are as follows:

Re-measurement of the net defined benefit obligation:

	March 31, 2022	March 31, 2021
Actuarial (gains) arising from changes in financial assumptions	0.12	0.36
Actuarial gains arising from experience adjustments	(0.31)	(1.48)
(Gain) on plan assets (excluding amounts included in net interest cost)	(0.05)	(0.14)
Components of defined benefit costs recognised in Other comprehensive income	(0.24)	(1.26)

Movement in present value of defined benefit obligation:

	March 31, 2022	March 31, 2021
Opening Balance	7.85	6.28
Current service cost	0.53	0.53
Benefits paid	(0.83)	(0.51)
Interest Cost	0.54	0.43
Actuarial (gain) arising from changes in financial assumptions	(0.12)	(0.36)
Actuarial Loss gains arising from experience adjustments	0.31	1.48
Closing Balance	8.28	7.85

Movement in fair value of plan assets:

	March 31, 2022	March 31, 2021
Opening Balance	6.13	5.17
Contributions made	-	1.26
Benefits Paid	(0.83)	(0.51)
Re-measurement gains arising from return on plan assets	-	(0.07)
Interest Income	0.37	0.28
Closing Balance	5.67	6.13

A quantitative sensitivity analysis for significant assumptions as at 31 March 2022 is as shown below:

Impact on defined benefit obligation

Sensitivity Level	March 31, 2022		March 31, 2021	
	Increase	Decrease	Increase	Decrease
	Rs. Crore	Rs. Crore	Rs. Crore	Rs. Crore
Discount Rate (+ / - 0.5%)	0.24	(0.25)	0.24	(0.26)
Future Salary Increase (+ / - 0.5%)	(0.26)	0.25	(0.26)	0.25

Sensitivities due to mortality and withdrawals are not material and hence impact of change has not been calculated by the Actuary.

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting Year.

In absence of detailed information regarding plan assets which is funded with Life Insurance Corporation of India, the composition of each major category of plan assets and the percentage or amount for each major category to the fair value of total plan assets has not been disclosed.

The contribution expected to be made by the company during the financial year 2021-22 as ascertained by the management is Rs.0.65 crore (March 31, 2021: Rs.0.70 crore)



ii) Contribution to provident fund trust (the "trust")

The provident fund of the Company is exempted under section 17 of The Employees Provident Fund and Miscellaneous Provisions Act, 1952. Conditions for grant of exemption stipulates that the employer shall make good deficiency, if any, between the return guaranteed by the statute and actual earning of the Fund. Based on actuarial valuation in accordance with Ind AS 19 and Guidance note issued by Institute of Actuaries of India for interest rate guarantee of exempted provident fund liability of employees, there is interest shortfall in the funds managed by the trust as at March 31, 2022 :0.42 Crore (March 31, 2021: 0.42 Crore) and hence liability amounting to Rs. 1.21 crore has been recognised as at March 31, 2022 (March 31, 2021: 0.42). Having regard to the assets of the Fund and the return on the investments, the Company does not expect any further deficiency in the foreseeable future.

The Company contributed a total of Rs. 0.66 crore for the year ended March 31,2022 and Rs. 1.39 crore for the year ended March 31, 2021. The present value of obligation and the fair value of plan assets of the trust are summarized below.

Particulars	March 31, 2022	March 31, 2021
Fair value of plan assets	39.61	37.27
Present value of defined benefit obligations	(40.82)	(37.69)
Net liability arising from defined benefit obligation of trust	(1.21)	(0.42)

Percentage allocation of plan assets of trust

Assets by category	March 31, 2022	March 31, 2021
Government Securities	42.58%	59.00%
Debentures / bonds	42.32%	39.00%
Equity	11.65%	2.00%
Money market instruments	3.46%	0.00%

36 COMMITMENTS AND CONTINGENCIES

a. Commitment

(i) Estimated amount of contracts remaining to be executed on capital account and not provided for:

Capital commitments

The Company has capital commitments of Rs. Nil as at March 31, 2022 (March 31, 2021 - Nil).

(ii) Contingent liabilities

Sr. No	Particulars	March 31, 2022	March 31, 2021
1	Demand raised by income tax authorities against which company has filed appeals	8.99	8.99
2	Claims against the company not acknowledged as debt: Cess on transportation of ore within Goa levied by Government of Goa under the Goa Rural Development and Welfare Cess Act 2000 (Goa Act 29 of 2000)	19.57	19.57
3	Demand raised by DMG*	70.64	70.64
4	Others claims	0.86	0.86
5	Guarantees issued by the bankers in favour of various parties	-	-
	Total	100.06	100.06

*Company has received an order dated April 6, 2021 from Directorate of Mines and Geology (DMG) on certain matters for the audit conducted by the team of chartered accountant empanelled by the State Government for verifying and auditing Company's records for despatch quantity vis -a -vis invoice qty, reported by the Company, directing the Company to pay 70.64 Crores including interest of Rs. 29.85 crores on account of short payment of Royalty on various matters including reported stock over a period of 6 years. However, Company has deposited principal amount of Rs.40.79 crores post adjustment of past deposits with DMG, without prejudiced to our rights. For the above cases, Company believes that DMG has not considered the unsold ore from previous years as well as the additionally ore lawfully purchased from third parties and stock increase which happens in the normal course of business. The Company has obtained legal advise which suggests that the Company has a strong case basis which it can challenge the captioned order by way of revision and hence no provision has been made in the books at this point in time and the exposure has been treated as contingent liability. Company has challenged the order of DMG before the mines tribunal, the matter is yet to be listed for hearing.

37 OPERATING SEGMENTS

The company primarily operates in the segment of mining and sale of iron ore. As per the company's chief operating decision maker ("CODM"), the risks and returns from its sales do not materially vary geographically. Accordingly, there are no other reportable segments as required to be reported under Ind AS 108 - Operating Segments.

A) Information about products

	March 31, 2022	March 31, 2021
Iron ore	94.15	139.33
	94.15	139.33

B) All revenue and non-current assets of the Company is situated in India, hence, disclosure pertaining to geographical areas has not been updated.

C) Company primarily sells entire output to its ultimate holding company.



38 Financial instruments

Financial risk management objective and policies

Financial assets and liabilities:
March 31, 2022

	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Financial assets				
Non Current Investments	-	-	14.00	14.00
Trade receivables	-	-	0.17	0.17
Cash and cash equivalents	-	-	0.20	0.20
Others - Non Current Assets	-	-	0.01	0.01
Loans	-	-	10.00	10.00
Others - Current Assets	-	-	12.44	12.44
Total	-	-	36.82	36.82
Financial liabilities				
Short-term borrowings	-	-	191.76	191.76
Trade payables	-	-	4.04	4.04
Lease Liabilities - Current	-	-	0.86	0.86
Lease Liabilities Non - Current	-	-	0.32	0.32
Other financial liabilities- Current	-	-	101.31	101.31
Total	-	-	298.29	298.29

March 31, 2021

	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total carrying value
Financial assets				
Trade receivables	-	-	8.76	8.76
Cash and cash equivalents	-	-	0.03	0.03
Fixed Deposit Non-current	-	-	10.52	10.52
Total	-	-	19.31	19.31
Financial liabilities				
Short-term borrowings	-	-	172.19	172.19
Trade payables	-	-	14.78	14.78
Lease Liabilities - Current	-	-	0.69	0.69
Lease Liabilities Non - Current	-	-	0.45	0.45
Other financial liabilities- Current	-	-	100.45	100.45
Total	-	-	288.56	288.56

Risk management

The Company's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty credit risk. The company does not engage in speculative treasury activity but seeks to manage risk and optimize interest and foreign currency through proven financial instruments.

Treasury management

The company's treasury function provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risks relating to the operations of the company through internal risk reports which analyses exposures by degree and magnitude of risks. These risks include market risk (including currency risk), credit risk and liquidity risk.

Treasury management focuses on capital protection, liquidity maintenance and yield maximization. The treasury policies are approved by the Board and adherence to these policies is strictly monitored at the Finance Standing Committee. A monthly reporting system exists to inform senior management of investments, debt and currency. The company has a strong system of internal control which enables effective monitoring of adherence to company's policies. The internal control measures are effectively supplemented by regular internal audits.

Financial risk

The Company's Board approved financial risk policies comprise liquidity, currency, interest rate and counterparty risk. The Company does not engage in speculative treasury activity but seeks to manage risk and optimize foreign exchange impact through proven financial instruments.

Liquidity Risk:

The company requires funds both for short-term operational needs as well as for long-term investment projects. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents and short term investments provide liquidity both in the short-term as well as in the long term.

The company remains committed to maintaining a healthy liquidity, gearing ratio, deleveraging and strengthening our balance sheet. The maturity profile of the Company's financial liabilities based on the remaining Year from the date of balance sheet to the contractual maturity date is given in the table below. The figures reflect the contractual undiscounted cash obligation of the company.

(this space has been left intentionally blank)



Sesa Mining Corporation Limited
Notes to Financial Statement for the year ended March 31, 2022
(All amounts are in INR Crores, unless otherwise stated)
As on March 31, 2022

	<1 year	2 Years	3-5 Years	> 5 Years	Total
Financial liabilities					
Current					
Borrowings	191.76	-	-	-	191.76
Trade payables	4.04	-	-	-	4.04
Interest accrued but not due	1.01	-	-	-	1.01
Lease Liabilities	0.86	0.12	0.20	-	1.18
Other financial liabilities	101.31	-	-	-	101.31
Total Financial Liabilities	298.98	0.12	0.20	-	299.30

As on March 31, 2021

	<1 year	2 Years	3-5 Years	> 5 Years	Total
Financial liabilities					
Current					
Borrowings	172.19	-	-	-	172.19
Trade payables	14.78	-	-	-	14.78
Interest accrued but not due	1.05	-	-	-	1.05
Lease liabilities	0.69	0.13	0.31	-	1.13
Other financial liabilities	100.45	-	-	-	100.45
Total Financial Liabilities	289.16	0.13	0.31	-	289.60

Interest rate risk:

Borrowings of the company are principally denominated in Indian Rupees with fixed rate of interest. The company invests cash and liquid investments in short-term deposits and debt mutual funds, some of which generate a tax free return, to achieve the Company's goal.

The exposure of the company's financial assets as at March 31, 2022 to interest rate risk is as follows:

As at March 31, 2022

	Floating rate financial assets	Fixed rate financial assets	Non interest bearing financial assets	Total financial assets
Financial assets				
Trade receivables	-	-	0.17	0.17
Cash and cash equivalents	-	-	0.20	0.20
Fixed Deposit	-	0.01	-	0.01
Total financial assets	-	0.01	0.37	0.38

As at March 31, 2021

	Floating rate financial assets	Fixed rate financial assets	Non interest bearing financial assets	Total financial assets
Financial assets				
Trade receivables	-	-	8.76	8.76
Cash and cash equivalents	-	-	0.03	0.03
Fixed Deposit	-	10.52	-	10.52
Total financial assets	-	10.52	8.79	19.31

As at March 31, 2022

	Floating rate financial liabilities	Fixed rate financial liabilities	Non interest bearing financial liabilities	Total financial liabilities
Financial liabilities				
Borrowings	-	191.76	-	191.76
Trade payables	-	-	4.04	4.04
Other financial liabilities	-	-	102.48	102.48
Total financial liabilities	-	191.76	106.52	298.28

As at March 31, 2021

	Floating Rate Financial Liabilities	Fixed Rate Financial Liabilities	Non Interest bearing Financial Liabilities	Total Financial Liabilities
Financial liabilities				
Borrowings	-	172.19	-	172.19
Trade payables	-	-	14.78	14.78
Other financial liabilities	-	-	101.58	101.58
Total financial liabilities	-	172.19	116.36	288.55

Credit Risk:

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The company has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate, as a means of mitigating the risk of financial loss from defaults.

Since Company's Trade Receivables and loans are from the related parties and Company has taken letter of support from Vedanta limited, hence there is no risk on the trade receivables and loans to related parties. Therefore, the company does not expect any material risk on account of non-performance by any of the company's counterparties.



(this space has been left intentionally blank)



Sesa Mining Corporation Limited
Notes to Financial Statement for the year ended March 31, 2022
(All amounts are in INR Crores, unless otherwise stated)

Of the year ended March 22, Trade and other receivables balance, the following were past due but not impaired:

As at March 31, 2022

Particulars					Due greater
	Not past due	Due less than 1 months	Due between 1-3 months	Due between 3-12 months	than 12 months
Trade receivables	-	-	-	-	0.17
Total	-	-	-	-	0.17

As at March 31, 2021

Particulars					Due greater
	Not past due	Due less than 1 months	Due between 1-3 months	Due between 3-12 months	than 12 months
Trade receivables	8.59	-	-	-	0.17
Total	8.59	-	-	-	0.17

Foreign Currency Risk

The Company is not exposed to the risk of changes in foreign exchange rates, hence foreign currency risk is not applicable.

39 Other Statutory Information

- (i) The company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami
- (ii) The company do not have any transactions with companies struck off.
- (iii) The company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period,
- (iv) The company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (v) The Company has taken inter corporate loan from Vedanta Limited of Rs. 14 crores at interest rate of 7.15% for acquisition of Desai Cements Private Limited; further Company has also taken inter corporate loan from Vedanta Limited of Rs. 10 crores at interest rate of 7.15% to give advance to it's 100% Subsidiary Company Desai Cements Private Limited on 02.11.2021.
- (vi) The company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).



(this space has been left intentionally blank)



40 Financial ratios are as follows:

	Ratio	Formula	As at 31 March 2022	As at 31 March 2021	% Change	Remarks
(a)	Current Ratio (in times)	Current Assets/Current Liabilities	0.09	0.04	108%	The change in the ratio is due to Loan to Desai Cements Private Limited of Rs. 10.00 crores, Classification of Fixed Deposits amounting to Rs. 11 crores from Non Current Assets to Current Assets further accompanied by decrease in the trade receivables on account of receipts from Vedanta Limited.
(b)	Debt-Equity Ratio (in times)	Gross Debt/ Equity	-1.74	-1.06	65%	(-) sign shows negative net worth The change in debt equity ratio is due to outstanding loan of Rs. 19.57 crores due to Vedanta Limited borrowed at the time of acquisition of Desai Cements Private Limited further accompanied by profit of Rs. 54.17 crores for the Financial Year 2021-22.
(c)	Debt Service Coverage Ratio (in times)	Earnings before interest, depreciation, tax and exceptional items/ (interest expense + principal payments of long term loans)	0.34	0.32	5%	
(d)	Return on Equity Ratio (%)	Net Profit before exceptional and DDT/ Average Net Worth	-39%	-22%	80%	(-) sign shows negative net worth The change in the percentage is due to the payment of royalty accompanied with the higher of barges during previous year for extraction of iron ore for further sale. The ratio is increased due to increase in profit and decrease in negative net worth of current year
(e)	Inventory turnover ratio (in times)	Revenue from operations less EBITDA/ Average Inventory	23.96	80.72	-70%	The reduction in the percentage is due to lower sale of ore in current year.
(f)	Trade Receivables turnover ratio (in times)	Revenue from operations/ Average Trade Receivables	21.78	32.39	-33%	The reduction in the percentage is due to lower sale of ore in current year.
(g)	Trade payables turnover ratio (in times)	Total Purchases/Average Trade Payables	-	-	0%	
(h)	Net capital turnover ratio (in times)	Net sales / Working capital	-0.34	-0.49	-32%	The reduction in the percentage is due to lower sale of ore in current year.
(i)	Net profit ratio (%)	Net Profit after tax before exceptional items/Revenue from operations	56%	30%	87%	Net Profit ratio has increased due to savings in expense in current year as Company has paid royalty in previous year towards movement of extracted raw material.
(c)	Return on Capital employed (in times)	Earnings net of taxes/ Average Capital Employed	1.56	-8.55	-118%	(-) sign shows negative capital employed in previous year Capital employed has turned positive due to profits earned in last 2 years which led to positive change in ratio
(k)	Return on investment	Income from investment measured at FVTPL/ Average current investment	NA	NA	0%	There are no such investments

41 CAPITAL MANAGEMENT

The Company's objectives when managing capital is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth. The Company's overall strategy remains unchanged from previous year.

The Company sets the amount of capital required on the basis of annual business and long-term operating plans which include capital and other strategic investments.

The funding requirements are met through a mixture of internal fund generation and other long term borrowings and short term borrowings.

The Company monitors capital on the basis of the debt to equity ratio. The Company is not subject to any externally imposed capital requirements.

Debt are long term and short term debts and lease liability as reduced by cash and cash equivalents (including restricted cash and cash equivalents) and short-term investments. Equity comprises all components excluding other components of equity (which comprises the cash flow hedges, translation of foreign operations and available-for-sale financial investments).



(this space has been kept intentionally blank)



Sesa Mining Corporation Limited
Notes to Financial Statement for the year ended March 31, 2022
(All amounts are in INR Crores, unless otherwise stated)

The following table summarizes the capital of the Company:

As at	March 31, 2022	March 31, 2021
Equity	11.50	11.50
Other Equity	(122.30)	(175.78)
Total Equity (a)	(110.80)	(164.28)
Short-term borrowings (Note 19)	191.76	172.19
Lease Liability (Note 16 and Note 21)	1.17	1.13
Total debt (b)	192.93	173.32
Total capital (equity + debt)	82.13	9.04
Debt to equity ratio	(1.74)	(1.06)

42 DISCLOSURES AS REQUIRED BY THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006

	March 31, 2022	March 31, 2021
a) The principal amount and the interest due thereon remaining unpaid to suppliers		
i) Principal	0.19	0.09
ii) Interest due thereon	-	-
b) i) The delayed payments of principal amount paid beyond the appointed date during the entire accounting year/Year	-	-
ii) Interest actually paid under Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-
c) i) Normal Interest accrued during the Year, for all the delayed payments, as per the agreed terms	-	-
ii) Normal Interest payable for the Year of delay in making payment, as per the agreed terms	-	-
d) i) Total Interest accrued during the year	-	-
ii) Total Interest accrued during the year and remaining unpa	-	-
e) Included in (d) above being interest on amounts outstanding as at the beginning of the accounting Year.	-	-

The above information has been identified on the basis of information available with the Company. This has been relied upon by the auditors.

43 RELATED PARTY TRANSACTIONS

A List of related parties and relationships:

Entity Controlling the Company (Holding Company)

• Sesa Resources Limited

Ultimate Holding Company and its intermediaries

Ultimate Holding Company

• Volcan Investments Limited ('Volcan')

Intermediaries

• Vedanta Limited (formerly known as Sesa Sterlite Limited)

• Vedanta Resources Plc.

Subsidiary

• Desai Cement Company Private Limited (w.e.f 15.11.2021)

Post retirement benefit plan

• Sesa Mining Corporation Limited Employees Provident Fund

• Sesa Mining Corporation Limited Employees Gratuity Fund

• Sesa Resources Limited and Sesa Mining Corporation Limited Employees Superannuation Fund

B Transactions during the year:

	March 31, 2022	March 31, 2021
Revenue from operations		
Vedanta Limited	97.05	145.26
Recovery of expenses		
Vedanta Limited	3.26	3.16
Sesa Resources Limited	0.01	0.02
Expenses reimbursed		
Vedanta Limited	0.02	0.08
Sesa Resources Limited	0.02	0.21
Interest on Inter corporate deposit		
Sesa Resources Limited	12.30	12.89
Vedanta Limited	1.35	1.70



Sesa Mining Corporation Limited
Notes to Financial Statement for the year ended March 31, 2022
(All amounts are in INR Crores, unless otherwise stated)

	March 31, 2022	March 31, 2021
Interest income on inter corporate deposit		
Desai Cement Company Private Limited	0.29	-
Details of transactions with post retirement employee benefit plan		
Sesa Mining Corporation Limited Employees Provident Fund	0.67	1.55
Sesa Mining Corporation Limited Employees Gratuity Fund	-	1.25
Sesa Resources Limited and Sesa Mining Corporation Limited Employees Superannuation Fund	0.05	0.04

C Outstanding Balance at the year end

	March 31, 2022	March 31, 2021
Trade receivables		
Vedanta Limited	-	8.59
Trade payables		
Sesa Resources Limited	0.02	10.35
Loans from		
Sesa Resources Limited	172.19	172.19
Vedanta Limited	19.57	-
Interest payable		
Sesa Resources Limited	89.36	93.34
Vedanta Limited	-	-
Loans Given		
Desai Cement Company Private Limited	10.00	-
Interest receivables		
Desai Cement Company Private Limited	0.26	-
Other payables		
Sesa Mining Corporation Limited Employees Provident Fund	0.21	0.29
Sesa Mining Corporation Limited Employees Gratuity Fund	2.62	1.72
Sesa Resources Limited and Sesa Mining Corporation Limited Employees Superannuation Fund	0.00	0.00

Terms and conditions of transactions with related parties

The sales to related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and interest free and settlement occurs in cash. There have been no guarantee provided or received for any related party receivables or payables. For the year ended 31 March 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2021: Rs. Nil).

44 STANDARDS ISSUED BUT NOT YET EFFECTIVE

Since there were no standard issued but not effective at the time of signing of financial statement, the disclosure is not applicable.

45 Note on Merger

During the year, the Board of Directors at their meeting held on July 21, 2021 approved the Scheme of Amalgamation of Goa Sea Port Private Limited(Transferor Company), Sterlite Ports Limited(Transferor Company), Paradip Multi Cargo Berth Private Limited(Transferor Company), Maritime Ventures Private Limited(Transferor Company) with Sesa Mining Corporation Limited(Transferee Company).Presently the matter of Scheme of Amalgamation is pending before the National Company Law Tribunal (NCLT).

46 EVENTS AFTER THE REPORTING PERIOD

There are no significant events which have occurred after the reporting period.

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E / E300003


per Anant Acharya
Partner

Membership No. 124790
Place: Mumbai
Date: April 19,2022

For and on behalf of the Board of the Directors of Sesa Mining Corporation Limited


Sauvick Mazumder
Executive Director &
Chief Executive Officer
DIN 07558996


Navin Kumar Jaju
Executive Director &
Chief Financial Officer
DIN 00669654


Tina Lakhani
Company Secretary
ICSI Membership No A34723

Place: Panaji-Goa
Date: April 19,2022

